



10% Set Aside for Care First Community Investment

June 25, 2024

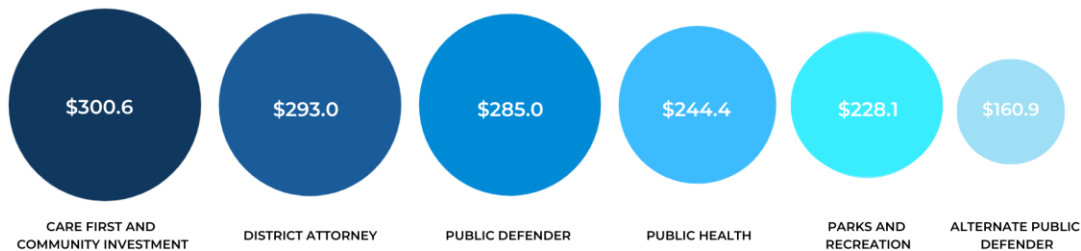
In 2020, the Los Angeles County Board of Supervisors committed to amending the County charter to set aside 10% of the County’s locally generated unrestricted revenues to provide alternatives to incarceration and direct community investments. Despite court challenges to what became known as Measure J, the Board’s commitment has been unwavering.

This year, that 10% totals \$300.6 million in annual ongoing funding for Care First Community Investment. The methodology for calculating this set-aside is set out clearly in the budget policy and Board motions linked below.

If CFCI, just established four years ago, were a County department, it would be the sixth largest department when measured by the Board’s commitment of local revenues. **CFCI’s \$300 million represents more local County funding than the amount committed to the Public Defender, Public Health, Parks and Recreation and 30 other departments for fiscal year 2024-25.**

CEO. Putting the 10% CFCI Set Aside Into Context

The Board first set aside 10% of locally generated unrestricted revenues for CFCI three years ago, in response to Measure J. CFCI has already outstripped 33 of 38 departments’ budgets in terms of the County’s fiscal contribution.



The 5 departments allocated greater ongoing NCC include the Sheriff’s Department and the departments of Health Services, Children and Family Services, Public Social Services, and Probation, ranked in that order.

Care First Community Investment is also unique among County budget units in that any unspent funding in a given budget year is permitted to be rolled over and used in the subsequent fiscal year.

In the 24-25 Recommended Budget, this unspent funding totals \$223.4 million. This means that **CFCI has a total of \$524 million that can be put to use serving individuals and communities in the upcoming fiscal year.**

CFCI is also far from the only commitment by the Board to Care First programs and services. **When County efforts aligned with the Board's Care First vision are combined with the Homeless Initiative and programs aimed at Poverty Alleviation, they amount to 22% of the County's overall 2024-25 budget.**

There continues to be a **great deal of misinformation around this Board-driven initiative.** It is worth noting that the language on the set-aside requirement in **the County's CFCI policy and the language in Measure J are materially identical and mandate the exact same objective**—which is to set aside 10% of locally generated **unrestricted** revenues for Care First purposes. The March 24 Court decision affirming Measure J does not change this in any way.

The amount of the set-aside shifts annually, depending on the fluctuations of revenue and the amount that is determined to be restricted. Measure J does not now and never did specify a target dollar amount to be set aside, despite assertions by some that a \$900 million annual set-aside is required.

That \$900 million assertion is simply not accurate, and the \$300.6 million in ongoing annual funding in the 2024-25 Recommended Budget fully meets the 10% set-aside required by Measure J and mandated by Board budget policy.

Many advocates also fault the County for the size of the Sheriff's Department budget and point to the fact that it receives a big share of local revenues. What often goes unnoted is that **law enforcement is a locally funded responsibility under state law, meaning that the County is required to pay for the bulk of these services out of its own revenues.** There are few federal, State or other sources of funding to support this public safety mandate.

To directly compare local funding for LASD versus local funding for the Department of Mental Health, for example, ignores the fact that DMH receives more than \$3.8 billion in revenues from federal, State and other sources. As the steward of taxpayer dollars, the County appropriately leverages these outside funds to pay for the critical services provided by DMH and allocates local revenues only as needed.

[Board Letter re CFCI Set Aside 2024-25](#)

[Board Letter re CFCI Set Aside 2023-24 \(Fully Funded\)](#)

[Board Budget Policy re CFCI Set Aside](#)