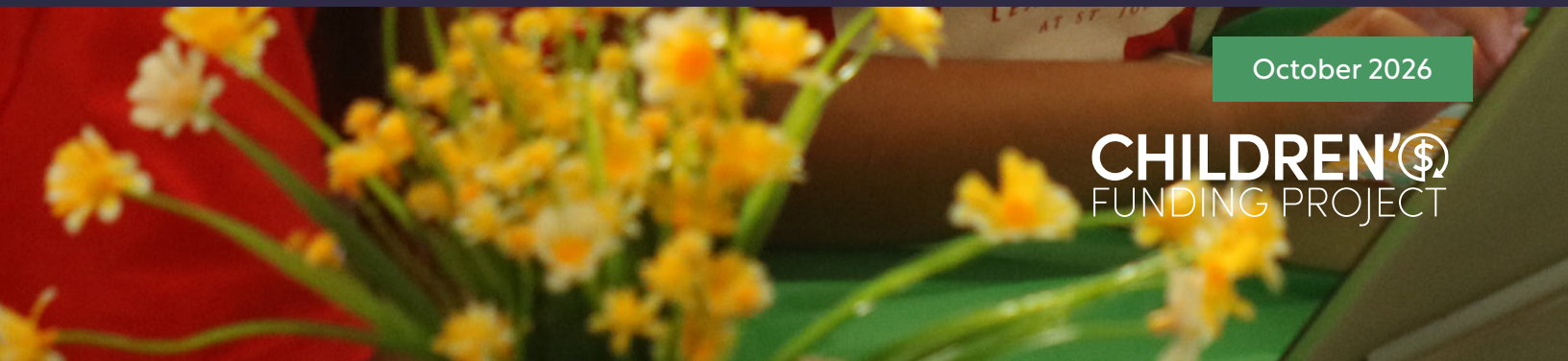
State Legislation to Expand Local Options to Fund Children and Youth

2026 update



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CHILDREN'S FUNDING PROJECT

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Cover photo provided by The Children's Trust of Miami-Dade County

Introduction

Across the country, voters in 56 communities have agreed to tax themselves to invest dedicated dollars into children and youth, generating nearly $2.5 billion annually for kids through voter-approved children's funds. Many of these funds, in places like Travis County, TX, or Kalamazoo, MI, were created using the authority to levy a special purpose tax that already existed for their community. But, sometimes communities inspired by these wins discover, often well into their planning, that their own state doesn't offer the same option for their city or county. Or, they realize that the options their state does offer are simply insufficient.

While a community may have the coalition, the need, and the local votes to create a new fund, local leaders often face constraints from the state that limit their ability to raise new sources of revenue and dedicate those funds to kids, or to legislate via the ballot box. Most local governments can raise and spend only the dollars that their state authorizes them to raise and spend. For these communities, the biggest obstacle isn't convincing voters to tax themselves, it's that the law doesn't authorize them to put a workable question on the ballot at all.

A range of state laws and policy elements determine whether or not a community can create a voter-approved children's fund. In order to create a fund, a locality must be authorized to levy a tax, dedicated to a special purpose such as early childhood, children and youth, children's mental health, or other services, via a ballot measure. In some places, a community cannot levy any taxes via ballot measure, or cannot levy any special purpose taxes via ballot measure. In others, a community can levy a special purpose tax via ballot measure, but the state's definition of "special purpose" excludes services for children and youth (or includes only a limited set of services). Even where the legal authority exists, the available tax options may not be politically feasible, or the rate may be capped low enough that even a winning campaign cannot raise a meaningful amount of money. Additionally, a community may be too small to support the infrastructure necessary to administer a fund on its own and need a regional option that doesn't exist. Finally, sometimes the authority exists, but no locality has used it, so there is no template for communities to follow and no precedent to use as a model.

This report is for communities that have run into one of these walls and are asking what they can do next to create a dedicated source of local funding for kids. The good news is that they aren't stuck: state law can change, and advocates in four states have already changed it. Advocates in Florida, Colorado, Washington, and Missouri passed legislation enabling communities to create voter-approved children's funds, either by expanding the authority of cities and counties, or by authorizing the creation of independent children's taxing districts. These are not the only states where voter-approved children's funds are possible within the bounds of existing local authority, but they are unique in that they have passed legislation specifically and proactively authorizing the creation of voter-approved children's funds. This report covers what those advocates learned about passing enabling legislation, what the legislation needs to get right, and how to avoid the pitfalls that can limit a fund long before it reaches the ballot.

Strategies for Expanding Local Funding Options

The four state examples examined in this report illustrate two distinct legislative strategies for expanding local revenue authority: (1) expanding the taxing authority of existing jurisdictions and (2) authorizing independent children's special taxing districts. See figure 1 on page 5 for a comparison of these two approaches.

Photo credit: The Children's Trust of Miami-Dade County

Figure 1: State Legislative Strategies for Expanding Local Revenue Authority

Expanding Taxing Authority of Existing Localities	Creating Special Taxing Districts
What It Is State legislation to expand the authority of an existing jurisdiction, such as a city or county, to raise and dedicate local revenue to children and youth.	**What It Is** State legislation authorizing the creation of a new, independent governmental entity dedicated to providing specific services with its own boundaries, board, and tax levy authority.
What This Can Look Like • Increasing the maximum tax rate or revenue a locality can levy. • Expanding the allowable uses of specific revenue to include child and youth services. • Allowing localities to levy a new type of tax.	**What This Can Look Like** • Legislation authorizing the creation of a special district within an existing unit of government (i.e., with the same geographic boundaries as a county) OR across a multijurisdiction region. • Edits to existing special taxing district legislation to add services for children and youth as an allowable purpose.
Key Distinction The legislation gives an *existing* unit of government additional authority to generate revenue. The locality then decides whether and how to use that authority, often through voter approval of a new tax or tax rate.	**Key Distinction** The legislation creates or amends the legal framework for a *new* governing entity, whose purpose is to provide specified services and whose taxing authority is separate from that of existing local governments.
Examples in This Report • Missouri Children's Services Funds • Washington's 2026 children and family services sales and use tax authority	**Examples in This Report** • Florida Children's Services Councils • Colorado Early Childhood Development Districts

Photo credit: The Children's Trust of Miami-Dade County

State Examples: Expanding Taxing Authority of Existing Localities

Cities or counties hoping to pass a voter-approved children's fund might first look to the strategy that leverages existing units of government by expanding a city or county's authority to put a new tax or tax increase to fund children's services on the ballot for voter approval. This is the model behind most recent state legislative activity and Missouri offers a prime example, with roughly three decades of implementation to draw on.

Missouri Community Children's Services Funds

State Legislation Passed: 1993 (SB 253, property tax); expanded 2000 (HB 1238, sales tax)

State Statute: RSMo 210.860—"levy a tax not to exceed twenty-five cents on each one hundred dollars of assessed valuation;" RSMo 67.1775—"levy a sales tax not to exceed one-quarter of a cent."

What the State Legislation Allows: Counties and the City of St. Louis can levy, with voter approval, either a property tax up to $0.25 per $100 of assessed valuation (for funds serving individuals 18 and younger) or a sales tax up to ¼ cent (for funds serving individuals 19 and younger), dedicated to a Community Children's Services Fund. The legislation does not create a new district and the existing county maintains the taxing authority. Measures can reach the ballot either by county commission action or an initiative petition.

Requirements:

- A nine-member board of directors, appointed by the county governing body, who serve staggered three-year terms.
- All board members must be residents of the jurisdiction.
- No board member may serve on the governing body of, hold a financial interest in, or be employed by an organization that receives funding from the Community Children's Services Fund.
- Allowable uses for the tax dollars are fixed at the list in effect when voters approve the levy, with additions requiring a new vote.

What the Funds Support: Counseling, family support, and temporary residential services with a behavioral health orientation; temporary shelter for abused, neglected, runaway, homeless, or "emotionally disturbed" youth, as defined by state statute; respite care; outpatient chemical dependency and psychiatric treatment. The state legislation expressly states that funds are not for inpatient medical, psychiatric, or chemical dependency services, and transportation.

Missouri's Community Children's Services Funds began as a local response to mental health funding gaps that followed federal cuts in the 1980s. In 1993, Missouri passed state legislation enabling counties or St. Louis City to levy a property tax with voter approval to generate revenue dedicated to a Community Children's Services Fund. The sales tax option came later and in stages. In 2000, the state legislature authorized a sales tax of up to ¼ cent for St. Charles County alone. In 2001, it extended that option to St. Louis City and several other St. Louis-area counties and raised the age limit for sales tax-funded services from 18 to 19. In 2003, the state legislature opened the option to every county. In practice, communities interested in creating Community Children's Services Funds have relied almost entirely on the sales tax provision for funding. The property tax option remains available but is harder to win, largely because school districts rely on the same tax for funding and advocates need school district support to pass a local measure.

The existing county is the taxing authority. Each fund is administered by a board that acts as a local grantmaker. By default, that is a nine-member board appointed by the county to staggered three-year terms. But in St. Louis City and certain counties the state statute defines by population, the existing community mental health board of trustees serves as the fund's board instead.

Because the original goal of the state legislation was to support children's mental health, the law's list of allowable uses is fairly narrow. It covers temporary shelter for abused, neglected, runaway, or homeless youth; respite care; outpatient psychiatric and substance use treatment; counseling and crisis intervention; family intervention programs; mental health screenings; and prevention programs that promote healthy lifestyles and strengthen families. Inpatient care and transportation are excluded, and a county cannot add services beyond the list in place when voters approved its tax without another vote. Within those limits, funds have found room to grow. The St. Louis County Children's Service Fund, the state's largest, now supports work ranging from youth-led grantmaking to social workers placed in public libraries.

Missouri stands out for how widely the model has been adopted. Voters have approved Community Children's Services Funds in 11 jurisdictions across urban, suburban, and rural areas, which advocates attribute to how hard it is to politicize children's mental health, an issue that generally receives bipartisan political support. Ten of those funds are operating today. (Read more about the 11th fund, approved in Platte County, below.) About half of the operating funds were placed on the ballot by citizen petition and half by county commission action. Adopting jurisdictions include St. Louis County (the largest fund, which generates about $52 million a year), Jackson County (which has invested more than $185 million since 2016), St. Charles, Boone, Clay, Jefferson, Lincoln, Franklin, and Lafayette counties, and the City of St. Louis.

One challenge Missouri advocates have encountered is that the law says a county "may" levy the tax after voter approval, which courts have read as permissive rather than mandatory. In November 2024, 56% of Platte County voters approved a ¼ cent sales tax for a children's fund, and the county commission declined to levy it. Two residents sued in February 2025. A circuit court sided with the commission in April 2025, and a state appeals court affirmed that decision in April 2026. The appeals court pointed to the word "may" in the state statute, to ballot language that "authorized" the tax rather than imposed it, and to a 2005 amendment that removed language requiring the tax to be levied once voters approved it. Bills to require the levy after voter approval were filed in the Missouri House of Representatives in 2025 (HB 1530) and 2026 (HB 3179), while the case was pending. Neither bill received a hearing.

Community Children's Services Funds

Number of Local Funds Created Using Options Established by State Legislation: 11

Total Annual Tax Revenue: $148 million

- Boone County Children's Services Fund
  - Year Fund Was Established: 2012
  - Dedicated Annual Tax Revenue: $10.85 million
- Clay County Children's Services Fund
  - Year Fund Was Established: 2017
  - Dedicated Annual Tax Revenue: $12.42 million
- Franklin County Children's Services Fund
  - Year Fund Was Established: 2008
  - Dedicated Annual Tax Revenue: $4.28 million
- Children's Services Fund of Jackson County
  - Year Fund Was Established: 2016
  - Dedicated Annual Tax Revenue: $33.56 million
- Jefferson County Community Mental Health Fund
  - Year Fund Was Established: 2004
  - Dedicated Annual Tax Revenue: $3.62 million
- Lafayette County Children's Services Fund
  - Year Fund Was Established: 2005
  - Dedicated Annual Tax Revenue: $823,313
- Lincoln County Community Children's Service Fund
  - Year Fund Was Established: 2007
  - Dedicated Annual Tax Revenue: $1.85 million
- Children's Services Fund of Platte County
  - Year Fund Was Established: 2024
  - Dedicated Annual Tax Revenue: $5.2 million (estimated)
- Community and Children's Resource Board of St. Charles County
  - Year Fund Was Established: 1997
  - Dedicated Annual Tax Revenue: $10.46 million
- St. Louis City Community Children's Services Fund
  - Year Fund Was Established: 2004
  - Dedicated Annual Tax Revenue: $12.47 million
- St. Louis County Children's Service Fund
  - Year Fund Was Established: 2008
  - Dedicated Annual Tax Revenue: $52.5 million

State Examples: Creating Special Taxing Districts

Florida and Colorado relied on a different strategy for securing the authority to create voter-approved children's funds: the authorization of special taxing districts for children and youth. Florida is, in fact, the origin of voter-approved children's funds in the United States. Special districts, created by a ballot measure approved by voters, function as separate governmental entities, with their own boundaries and independent authority to levy a tax and use the revenue to fund child and youth services. Because nearly 40,000 special taxing districts exist across the country—with varying taxing authority and purposes ranging from mosquito abatement districts to library districts, parks and recreation districts, business innovation districts, sewer districts, and more—advocates may be able to amend existing special taxing district law to include children's services as an allowable purpose or to use existing legislation as a model for a new statute.

Florida Children's Services Councils

State Legislation Passed: 1986 (ch. 86–197, Laws of Florida). Statewide legislation authorizes the creation of Children's Services Councils, special taxing districts that are fiscally independent but share geographic boundaries with a county. Prior to statewide legislation, a special act passed in 1946 allowed the creation of a single-county council in Pinellas County, the nation's first voter-approved children's fund.

State Statute: Ch. 125.901, F.S.—"Each county may by ordinance create an independent special district... to provide funding for children's services throughout the county."

What the State Legislation Allows: Creating single-county Children's Services Councils with the authority to levy up to 0.5 mills of ad valorem property tax ($0.50 per $1,000 of taxable value). (A special act further authorized the Children's Services Councils in Pinellas and Palm Beach counties to levy a higher property tax of 1 mill.) Counties have three options for putting a proposed council on a local ballot: county ordinance (the route most councils took), citizen petition, or special act of the state legislature.

Requirements:

- Appointed board mixing gubernatorial appointments with local members
- Quarterly financial reports
- Annual programmatic reports
- Audits
- The same accountability requirements as other local government entities
- 12-year voter reauthorization cycle for independent districts, with several newer councils under 5-year sunsets

What the Funds Support: State law gives councils broad authority to provide "preventive, developmental, treatment, and rehabilitative services for children" and "such other services for all children as the council determines are needed for the general welfare of the county," and to fund other agencies serving children that are not under the exclusive jurisdiction of the public school system. In practice, councils fund child care quality improvement and tuition subsidies; maternal and infant health services; mental health programs; drug and violence prevention; literacy efforts; youth development programs; and after-school and summer programming.

The origin of voter-approved children's funds in the United States can be traced back to Pinellas County, FL, in the 1940s, and to the children Juvenile Court Judge Lincoln C. Bogue saw come through his courtroom. After county commissioners refused to fund services that would serve as alternatives to placing minors as young as age 3 in jail or detention centers, the judge worked with other community members to draft a special act that would authorize the creation of a Juvenile Welfare Board in Pinellas County.

The intention was that the Juvenile Welfare Board would fund the programs and services the county refused to fund, pending voter authorization. The Florida state legislature passed the act in 1945, and Pinellas County voters approved the creation of the Juvenile Welfare Board (fiscally independent but sharing geographic boundaries with the county) on November 5, 1946.

Children's Services Councils are generally authorized to levy an ad valorem property tax of up to 0.5 mills, and two councils may levy up to 1 mill. Funding can support a wide set of child and youth priorities. Some councils focus on child welfare, and others on family supports, after-school and summer programs, and more.

Children's Services Councils must meet the same accountability requirements as other local governments, including governance by an appointed board, quarterly financial and annual program reports, and audits. Each board combines members appointed by the governor with local members, which advocates describe as producing both tension and balance, since counties do not always welcome sharing control. Advocates also describe governor appointments as historically manageable but increasingly difficult as state politics have shifted.

Today there are 12[1] Children's Services Councils operating as independent special districts. Independent districts face a 12-year voter reauthorization cycle. Coming out of the 2008 recession, seven Children's Services Councils went through reauthorization; all seven passed, with voter approval ranging from about 76% in Broward and 77% in Martin counties to roughly 85% in Palm Beach and Okeechobee counties and 86% in St. Lucie County. Miami-Dade's Children's Trust had already been reauthorized in 2008 with about 85% of the vote.

The councils have faced repeated challenges at the state level. For years, each was represented by its own lobbyist in Tallahassee with no shared strategy. As state politics shifted, legislators proposed requiring county oversight of Children's Services Council budgets, barring councils from making capital expenditures, and shortening the reauthorization cycle from 12 years to six and then to two. Because the councils rely entirely on the property tax for funding, they have also had to defend against proposals to eliminate that tax, cap rates, expand homestead exemptions, and limit growth in property values and revenue. In response, the councils formed a statewide association, the Florida Alliance of Children's Councils and Trusts to coordinate their advocacy.

Children's Services Councils

Number of Local Funds Created Using Options Established by State Legislation: 12

Total Annual Tax Revenue: Approximately $780 Million

- **Children's Trust of Alachua County**
  - Year Fund Was Established: 2018
  - Dedicated Annual Tax Revenue: $10.84 million
- **Children's Services Council of Broward County**
  - Year Fund Was Established: 2000
  - Dedicated Annual Tax Revenue: $117.2 million
- **Escambia Children's Trust**
  - Year Fund Was Established: 2020
  - Dedicated Annual Tax Revenue: $11.93 million
- **Children's Board of Hillsborough County**
  - Year Fund Was Established: 1988
  - Dedicated Annual Tax Revenue: $79.08 million
- **Children's Services Council of Leon County**
  - Year Fund Was Established: 2020
  - Dedicated Annual Tax Revenue: $9.05 million
- **Manatee County Children's Services Dedicated Millage**
  - Year Fund Was Established: 1990
  - Dedicated Annual Tax Revenue: $24.9 million
- **Children's Services Council of Martin County**
  - Year Fund Was Established: 1988
  - Dedicated Annual Tax Revenue: $13.68 million
- **The Children's Trust of Miami-Dade County**
  - Year Fund Was Established: 2002
  - Dedicated Annual Tax Revenue: $226.58 million
- **Children's Services Fund of Okeechobee County**
  - Year Fund Was Established: 1990
  - Dedicated Annual Tax Revenue: $1.37 million
- **Children's Services Council of Palm Beach County**
  - Year Fund Was Established: 1986
  - Dedicated Annual Tax Revenue: $160.17 million
- **Juvenile Welfare Board Fund of Pinellas County (operating under separate state statute)**
  - Year Fund Was Established: 1946
  - Dedicated Annual Tax Revenue: $111.46 million
- **Children's Services Fund of St. Lucie County**
  - Year Fund Was Established: 1990
  - Dedicated Annual Tax Revenue: $14.25 million

Colorado Early Childhood Development Service Districts

State Legislation Passed: 2019 (HB19-1052, ch. 72). The act added a new Article 21 to Title 32 for early childhood development service districts and amended the state's existing Special District Act (Title 32, Article 1) to recognize them. Except where Article 21 says otherwise, the districts are formed and governed under the Special District Act.

State Statute: C.R.S. Title 32, Art. 21 (§§ 32-21-101 et seq.); definition at § 32-1-103(4.5)—"'Early childhood development service district' means a special district created pursuant to article 21 of this title 32 to provide, directly or indirectly, early childhood development services to children from birth through eight years of age."

What the State Legislation Allows: Formation of early childhood development service districts, including across geographic areas not defined by an existing political boundary, as well as the formation of regional service districts across city and county lines. The legislation also grants these service districts the authority to levy sales and use and property taxes, a deliberate legislative decision to give communities flexibility in how they fund services.

Requirements:

- A service plan describing services to be provided and persons eligible
- Quality assurance measures
- Financial plan
- Map of district boundaries
- Elected board members

What the Funds Support: Early childhood development services, defined broadly in statute so communities can tailor the services to local need. The first fund leveraging this authority, in the Confluence region, is using funds to support sliding-scale income-based early care and education tuition credits for children 0–5, grants to build child care capacity, and provider wage increases.

Colorado's law grew out of work already underway. Regional early childhood councils were collaborating across county lines to expand access to child care, but they had no taxing authority. Raising public dollars would have required them to pass a series of separate local taxes to fund their work, which would create significant complexity around regulations for where funding could be spent within a district.

In 2019, Colorado passed HB19-1052, authorizing the creation of early childhood development service districts to serve children from birth through age 8. These districts can levy sales and use and property taxes, a deliberate choice to give communities flexibility in how they fund the work. Unlike Florida's county-based councils, Colorado districts may form regionally, across areas not defined by an existing political boundary. Each district is governed by an elected board and must adopt a service plan describing the services it will provide, who is eligible, how the district will ensure quality, and how it will be financed. The law defines early childhood development services broadly, so each district can tailor what it funds to local needs.

This authority went unused until November 2025, when roughly 60% of voters across Garfield, Pitkin, and southwest Eagle counties approved the Confluence Early Childhood Development Service District, the first regional district formed under the law. The district levies a 0.25% sales tax that generates roughly $12 million a year for sliding-scale early care and education tuition credits for children ages 0 to 5, grants to build child care capacity, and provider wage increases. Voters elected five board members on the same ballot. The measure passed during a federal government shutdown and cuts to federal child care and nutrition programs.

Early Childhood Development Service Districts

Number of Local Funds Created Using Options Established by State Legislation: 1

Total Annual Tax Revenue: $12 million

- Every Child Parachute to Aspen
  - Year Fund Was Established: 2025
  - Dedicated Annual Tax Revenue: $12 million (estimated)

State Examples: Newer and Pending Local Tax Options

The three states highlighted previously aren't the only ones to try to expand local taxing authority. Advocates in other states have introduced enabling legislation, and every attempt, whether it passed or not, holds lessons for the advocates who come next.

Passed Legislation

Washington (HB 2442, 2026)—In March 2026, Washington authorized a new local tax dedicated to children and families. HB 2442 authorizes any city or county to impose a children and family services sales and use tax of up to 0.01% beginning January 1, 2027. A city or county council adopts the tax by ordinance or resolution. If both a city and its county impose the tax, the county credits its portion so the combined rate stays at 0.01%. According to a newsletter from the Washington State Association of Counties, the original intent of the legislation was to allow cities and counties to levy a combined rate of up to 0.1%, and the 0.01% rate is a scrivener's error which will likely be corrected with subsequent legislation in the state's next legislative session.

Revenue generated from this specific-purpose levy must be used for additional services that assist children and their families, including child care; perinatal support; before- and after-school youth services that address mental, physical, social, and behavioral health; workforce capacity building; shelter and rental assistance, and client transportation. (Transportation is the same use Missouri's law prohibits and that Missouri advocates say they would add if they could.)

Washington's law differs from other specific-purpose taxes reviewed in this report in two significant ways.

1. It does not require a public vote. That makes it faster to adopt, but a fund created by ordinance does not have the voter mandate that advocates in Florida, Colorado, and Missouri credit for their funds' staying power.
2. The rate is also small. Washington usually authorizes local sales taxes in 0.1% increments, so a 0.01% cap really limits how much any one city or county can raise.

Attempted Legislation

Indiana (HB 1622, 2025)—Proposed legislation would have let counties hold a local referendum to fund universal pre-K, with community institutions such as school districts, charter schools, churches, community centers, and private providers able to run programs. The legislation never received a hearing and died in committee. The sponsor (an Indianapolis Democrat) said he intends to reintroduce the legislation in 2027.

Ohio (SB 141, 2026)—Proposed legislation would let counties and localities place a pre-K levy on the ballot. This legislation was last tracked in the Ohio Senate Local Government Committee.

Oregon (SB 543, 2019)—Proposed legislation would have allowed elected children's services district boards to levy property taxes across a single county or multicounty region. This legislation passed the State Senate in 2019 but was voted down in the State House of Representatives.

Lessons from State Advocates

Advocates looking to expand options for generating and dedicating new local revenue to children's funds can learn a lot from the experiences of Florida, Colorado, and Missouri. The following section highlights insights and recommendations drawn from interviews with advocates who have been on the forefront of designing, campaigning for, implementing, and defending the voter-approved children's funds made possible through state legislative strategies.

Research Local Tax Authority in Your State

Before you strategize an approach or draft a new state bill, find out what options already exist for dedicating public revenue to children and youth in your community. Your state may already give cities, counties, or special districts some authority to dedicate revenue to a children's fund via voter approval. The barrier you face may turn out to be political rather than legal. Knowing which one you're dealing with tells you what kind of bill you need, or whether you need one at all.

Getting a legal read on local taxing authority can clarify your specific opportunities or limitations for generating new local dedicated funding. A good analysis will help you with the following:

- **Determine whether new authorizing legislation is needed.** Does the state need to grant you legal authority to use an existing revenue mechanism to fund programs for children and youth specifically? Would the creation of an express state law granting localities the ability to create a local dedicated tax help cities or counties overcome political barriers that might otherwise

prevent them from seeing or pursuing other pathways for creating a children's fund?

- **Explore options beyond city and county jurisdictions**. Are there options for levying dedicated funds for children through existing mechanisms outside county and city jurisdictions—such as regional bodies or already authorized special districts that could apply to funds for children and youth? The U.S. Census Bureau counted nearly 40,000 special districts nationwide in 2022 that fund everything from libraries and parks to fire protection and economic development. Find out whether your state already uses special districts or regional bodies for public services.
- **Amend existing law instead of creating something new.** Are there options for amending current law—as opposed to passing a new stand-alone law—that would open pathways for localities to generate and dedicate new local funding for children? For example, could an existing special district or local tax authority be expanded to cover child care or programs for children and youth? In 2019, Colorado added early childhood districts to its existing special district law rather than create a separate framework. Another approach might be to amend your state's law authorizing economic development districts to define child care or other services for children and youth explicitly as supporting economic development.

Make Sure State Legislation Supports the Use, Structure, and Administration of Local Funds

Thoughtfully designed state legislation does more than authorize a new source of local dedicated revenue for children and youth. It also provides localities with a roadmap for administering these taxes and implementing the programs they fund. This is particularly helpful for smaller communities with less administrative infrastructure and smaller tax bases. State legislation that is too prescriptive can limit a community's ability to respond to local needs as they change over time, while legislation that is too broad can open the door to using new local funds for a purpose other than intended. Keep the following considerations in mind if you decide to design new state legislation to expand local options to fund services for children and youth.

- **Define allowable uses broadly and let them change.** Advocates must balance several competing needs when they define the approved uses for local dedicated funds permitted by new state legislation. The defined uses should be broad enough to allow communities to tailor the use of funds to their local needs and adapt over time, as well as specific enough to garner lawmaker support. If authorized uses are defined too narrowly around a singular current need, it can be hard to use this dedicated funding in the future to address changing needs.

  For example, because Missouri's Community Children's Services Funds were initially formed to target mental health services, responding to complementary but changing needs for children over time, like early care and education, has been more challenging. In contrast, the state legislation that authorizes special districts in Colorado defines early childhood development services broadly so each community can fit them to local needs both now and in the future (particularly as local populations and state and federal funding for specific early childhood programs and supports fluctuate).

  Advocates also should be sure their legislation authorizes communities to fund ancillary supports, like transportation, that are needed to access the core services funded by the dedicated funds. For example, when Missouri legislators initially drafted the state's enabling legislation, they explicitly excluded transportation from the allowed uses of the dedicated funding. Advocates have since learned that lack of transportation is often what keeps families from reaching and accessing services supported by the fund.
- **Allow taxing districts to form across city and county lines.** It is easier to authorize the creation of regional districts and intergovernmental cooperation in the original state legislation than to add it later via statutory amendment. For instance, Colorado lets districts form regionally. The Confluence Early Childhood Development Service District combines communities in three rural counties that could not have supported a fund on their own.

- **Weigh the governance trade-offs of administering the dedicated funds through a new district versus existing government.** Creating a special taxing district and giving new authority to an existing city or county lead to very different governing structures. In Colorado, a regional district needs approval for ballot placement from the board of commissioners in every county it covers, but once it passes it is run by a separate elected board. Florida's Children's Services Councils can be placed on the ballot by elected county leaders or by signature petition. But once voters approve the ballot measure, the council is governed by a board composed of public officials specified in statute and appointees of the governor. Meanwhile, Missouri's Community Children's Services Funds are operated through county government and administered by a board the county appoints. Advocates should decide early which model fits their state, since that choice shapes how quickly a fund can form, how far it can reach, and who it answers to.

Multiple Funding Options, Multiple Funding Successes

When states enable more than one pathway for localities to generate dedicated children's funds, local communities can choose the pathway that offers the greatest chance of success. For example, in Colorado, the state authorizes localities to levy a local option sales tax that they can dedicate to local purposes, including child and youth services. Localities also have the authority to adopt a special children's services district to raise dedicated funds for early childhood services. These two options give local communities the flexibility to choose the funding approach that works best for them. For example, in **2025**, Larimer County, CO, passed a countywide 0.25% local option sales tax to establish a $22 million-per-year fund to reduce the cost of care for children ages 0–5. That same year, voters in Garfield, Pitkin and Eagle counties adopted a special children's service district that will generate $12 million per year to provide sliding scale, income-based early care and education tuition credits for children ages 0–5. These two successes demonstrate the benefit of localities being able to pursue mechanisms that best suit their unique needs and political context.

- **Authorize more than one path to the ballot.** When localities have procedural choices for adopting a local dedicated tax, they can choose a path that responds best to their local politics. For example, in Florida, the state legislation that permits Children's Services Councils allows communities to create a council through a county ordinance, a citizen petition, or a special act of the state legislature. While most councils have used a county ordinance, some communities needed to rely on an alternate route.
- **Work with legal experts to ensure the language used in the state legislation creates a mandatory and not permissive local dedicated tax.** Sometimes local government leaders don't share the same priorities as their constituents, leading to situations where local county commissions or city councils have refused to implement voter-approved children's funds. For example, in November 2024, 56% of Platte County voters in Missouri approved the creation of a local children's fund. But the county commission declined to levy the tax that voters approved. When advocates challenged the commission's inaction, state courts upheld the commission's discretion citing the state legislation's use of the word "may" instead of "shall" (meaning that the commission was not obligated to execute on the voters approval of the ballot measure). The courts also cited the ballot measure's own wording, which authorized county officials to collect the tax, rather than directly impose the tax. Similarly, loopholes that permit elected officials to leverage a lower tax rate (or no tax at all) have posed challenges from Multnomah County, OR, to Missouri. Advocates can avoid similar pitfalls by paying careful attention to the language used in any proposed state legislation that would authorize local dedicated funds.

Carefully Vet Revenue Mechanisms and Build In Choices and Room to Grow

The revenue source underlying a local dedicated fund for children and youth shapes the political difficulty for enactment and reauthorization, the stability and anticipated growth of the dedicated revenue, and potential future attacks. Advocates who have worked with dedicated taxes enabled through state legislation shared the following considerations from their experiences.

- **Create a local choice of revenue mechanism where possible.** Florida Children's Services Councils are only authorized to levy a property tax. In contrast, Missouri and Colorado both authorize communities to levy sales and property taxes for dedicated funds. In practice, most of the Missouri jurisdictions have chosen to levy a sales tax, but having a choice of funding options makes the funds less vulnerable to changes in political conditions. Florida's current political context, which includes major threats to the property tax, demonstrates the risk that can accompany a single revenue mechanism.
- **Understand the trade-offs underlying different mechanism choices.** The vast majority of voter-approved children's funds levy property or sales taxes. States have historically structured local fiscal authority around property and sales tax, and have, in most cases, been less willing to authorize local use of other revenue raising mechanisms. Property taxes generally offer a more stable and predictable revenue source, but school districts often directly vie for the same tax base. In Missouri, school district support has been necessary to pass Community Children's Services Funds. To avoid competing for a limited property tax base, Community Children's Services Funds have favored using a sales tax as the funding mechanism. While sales taxes can often be more politically achievable, the revenue they generate is **regressive** in nature and fluctuates more with periods of economic boom and bust. Further, different revenue mechanisms face different opposition threats. For example, in Florida, the only authorized revenue mechanism for Children's Services Councils is a property tax levy, which has throughout the years (including present day) faced constitutional elimination proposals, rate caps, homestead exemptions, limits on assessed value growth, and limits on revenue growth. Whatever tax base is chosen, accompanying vulnerabilities will follow. Knowing this can help advocates weigh and balance the many factors that make up strategic policy design choices in their local political context.
- **Set any tax rate ceilings higher than current conditions suggest.** Advocate for higher rate options if statutory ceilings are required by legislators to pass state legislation that authorizes local dedicated funds. Building in room for growth from the onset can save needing to return to the legislature for a future amendment to address rising costs and needs.

Plan Strategies to Win Support from State Legislators and Local Voters

Passing legislation to expand local taxing authority typically requires two campaigns to establish dedicated funding for children and youth: (1) passing the state law to expand local authority, and (2) winning campaigns in each community that chooses to use that new authority. Advocates say that emphasizing local control resonates with both state legislators and local voters and offer the following strategies for building support.

GAINING SUPPORT FROM STATE LEGISLATORS

- **Recruit bipartisan sponsors early.** Colorado advocates credit respected Republican sponsors with improving their chances of passing the state legislation that authorized the creation of early childhood development service districts.
- **Lead with local control.** Framing the state legislation as creating a choice for local voters has been a winning message with lawmakers in states that have enacted state enabling legislation for children and youth. For example, Colorado advocates found legislators were more responsive to messages about "who decides" rather than "what gets funded." Emphasizing that the bill didn't itself raise taxes but offered a choice to local voters answered the most common objection raised by lawmakers.
- **Conduct statewide polling to show legislators that dedicated funding for kids is popular with their constituents**. Constituent support data also helps to emphasize to lawmakers that they aren't imposing a tax by passing state enabling legislation. They're giving local policymakers and voters the ability to respond to express needs community members themselves have indicated they support.
- **Engage, mobilize, and coordinate with local advocates.** State legislators are more likely to listen to their own local constituents than to state-level advocates. In Missouri, the coalition that passed the original state legislation that authorized children's funds brought together mental health advocates with local policymakers and elected officials, and advocates note that state legislators often look to what neighboring communities have done when deciding whether to support a measure.

Photo credit: Children's Services Council of Broward County

GAINING SUPPORT FROM VOTERS

- **Frame the ballot measure around shared values.** The Missouri experience of winning funds across diverse geographic areas—including urban, suburban, and rural counties—makes the case for identifying the values and needs that draw support across party lines. Similarly, Colorado advocates who won voter approval to create the Confluence Early Childhood Development Service District presented their 2025 measure as a statement of community values.

Plan from the Beginning How You Will Protect the Funding After the Vote

Winning at the ballot is often just the first step. Essentially every fund highlighted in this report has faced political opposition after it was created, and in Florida the pressure from the state legislature has at times been more sustained than anything the Children's Services Councils faced during their original campaigns. The advocates who have kept their funds in place say the groundwork for that defense needs to be laid when the state law that allows local dedicated funds is written and when the local fund is being set up, not after the first threat arrives.

- **Plan for reauthorization from day one**. If you know you will need to include a "sunset" (required reauthorization) in your state statute or local measures to gain support from elected leaders or voters, design reporting requirements so that the local dedicated fund is both authorized and funded to collect the data needed to prove the fund's value and make the case for reauthorization when you go back to voters. For example Florida's advocates have relied on the required Children's Services Council quarterly financial and annual program reports, as well as the audits, to make the case for reauthorization.
- **Coordinate efforts to advance and protect dedicated taxes across local entities to be prepared to respond to future threats.** Advocates for Florida's Children's Services Council learned the hard way the importance of coordinating their lobbying and advocacy efforts at the state capital to be able to respond to and stave off threats. Others can learn from this experience and plan to build coordinated state advocacy capacity before new threats surface.
- **Mindset matters.** Advocates say that the most important protection for a fund is the community that supports it. Every dedicated tax established through the state legislation highlighted in this report experienced political opposition at one or more points, and has had to rely on support from champions and community members to defend their fund. Treat the campaign as the beginning of a long-term relationship with the community: deliver on what you promised, show the difference the fund is making, and communicate with voters long after Election Day. When residents can see what the fund does for their kids and neighbors, they become the constituency that shows up to defend it. When elected leaders see their community relying on the fund for essential programs and services, they become the champions in the state legislature. Both of these groups are essential for protecting the state legislation that authorized your fund as well as the individual funds themselves long term.

Conclusion

Communities across the country have shown strong support for investing in children and youth through voter-approved children's funds and other local revenue mechanisms. These funds provide a stable, dedicated source of revenue that allows communities to plan for the long term rather than rely on annual budget decisions or short-term grants. In many states, however, local governments lack the authority to create a voter-approved children's fund, making state legislation a necessary first step to help communities establish dedicated sources of funding for kids.

Florida, Colorado, Missouri, and Washington have each shown that there is more than one way to pursue revenue and expand programs for children and youth, whether by expanding the taxing authority of existing cities and counties or by authorizing independent children's special taxing districts. As more states build on these experiences, more communities will have the opportunity to decide for themselves how to invest in their children and youth, and to generate even greater local funding to meet the needs of kids and families.

Endnotes

[1] Two additional organizations, Kids Hope Alliance in Duval County and the Indian River County Children's Advisory Committee, also invest in children and youth services. However, they were established via city and county legislation rather than state legislation and were not approved by voters.

Children's Funding Project is a nonprofit social impact organization that helps communities, states, and Native nations expand equitable opportunities for children and youth through strategic public financing. childrensfundingproject.org

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