

ST. LOUIS MISSOURI

PROGRAM

Proposition R (Yes on R), St. Louis

FUNDING MECHANISM

City Property Tax

OPPORTUNITY

Missouri is ranked 49th in the country for child care subsidy reimbursement. In 2019, IFF, a community development financial institution, identified inequities and funding gaps in St. Louis' early childhood education system (ECE).[†] There are 8,700 children in the city who are eligible for subsidized ECE slots but only 3,000 slots are available. Further, public subsidies often do not cover the entire cost of ECE slots, forcing providers to charge higher fees or to not accept subsidies.

IFF recommended that St. Louis increase access to subsidized care through a dedicated local funding mechanism that prioritized families with the highest need.

SUMMARY

The City of St. Louis Board of Aldermen placed a property tax referendum, Proposition R, on the November 2020 ballot to levy 25 cents per 100 dollars of property valuation—six cents higher than the city's previous rate of 19 cents per 100 dollars. The estimated tax payment for a family with a house valued at \$200,000 is \$22.80 per year. Voters passed Proposition R with 56 percent of the vote, and the levy is projected to raise \$2.3 million annually.

Tax revenue will be distributed through the Children's Services Fund, which is managed by the St. Louis Mental Health Board (MHB). Rather than directly subsidizing care, the Board provides grants to licensed ECE providers that serve children in St. Louis, including home-based care, community centers, private programs, and public programs. Providers must demonstrate they serve low-income children or that their programs lack access to quality resources. Grants may fund a variety of ECE services, including but not limited to technical assistance, recruitment, outreach, quality improvement consultation, professional development, data collection and evaluation, and child health and development screenings.

CHALLENGES

Competing Measures // Initially, two ballot measures were proposed by WEPOWER, a community organization—one in the county of St. Louis, and one for the city. The city is not part of any county, and the county surrounds the city but does not overlap with city jurisdiction. The county bill sought an increase in the sales tax, whereas the city bill utilized an increase in the property tax.

Regressive Tax // Vocal opposition from groups such as the local American Federation of Teachers and the Missouri National Education Foundation led WEPOWER to halt county efforts. Opponents noted a sales tax (proposed for the county measure) is regressive, adversely impacting people in poverty.

COVID-19 // While COVID-19 also made community organizing and coalition-building difficult, safe door-to-door canvassing, phone-banking, and mailers were effective tools.

GETTING TO ACTION

2019	IFF publishes an early childhood education community assessment report, <i>The First Steps to Equity</i> .
Jan 2020	WEPOWER's community leaders publish the Playbook, an action plan to transform the early childhood education (ECE) system to be just and equitable. The Playbook recommends ballot measures in St. Louis city and county to generate public funding for ECE.
Feb 2020	Community launch of Yes on R campaign; WEPOWER begins training on grassroots organizing.
Mar 2020	Board Bill 8, sponsored by Alderwoman Shameem Clark Hubbard, passes unanimously, ensuring Proposition R's inclusion on the November 2020 city ballot.
Mar 10, 2020	In St. Louis County, a campaign begins to collect signatures required to be included on the county ballot. Within just a few days, campaign leaders collect 10 percent of signatures needed.
Aug 2020	The county ballot measure is prepared for introduction to the County Council by Council Chairwoman Lisa Clancy. WEPOWER and its partners pause the county campaign due to the vague nature of the bill's language and political pushback.
Oct 2020	Congresswoman Cori Bush endorses the city campaign Yes on R.
Nov 2020	In St. Louis city, Proposition R wins approval with 56 percent of the vote, authorizing the six cent property tax increase to fund childcare programming and service expansion for children zero-to-five in the city of St. Louis.

RESULT

- Voters approved Proposition R—the city’s first public source of ECE funding.
- Campaign reached over 40,000 residents of St. Louis City.
- Campaign leaders plan to pursue expansion to the county through another ballot measure in the future.

KEYS TO SUCCESS

▶ **Use the Right Funding Mechanism**

Both city and county measures aimed to fund needed early childhood services. One did so through a sales tax, the other through a property tax. A modest property tax, in combination with a strong grassroots movement and a neutral administrator (MHB), proved to be a winning strategy.

▶ **Do Your Homework**

Campaign leaders studied other relevant measures before launching Yes on R in St. Louis city.

▶ **Grassroots Mobilization**

Providers, parents, and early childhood center workers were major leaders of community outreach, even during the pandemic.

▶ **Intentionally Activate Black Women as Community Leaders**

Black women make up many early childhood educators, caretakers, and providers in St. Louis. Organizing Black women to become active at all stages of the campaign was critical to getting out the vote. WEPOWER launched a community organizing training aimed at childcare workers and providers.

▶ **Focus On One Campaign**

While the original intent was to run two concurrent ballot measures in St. Louis City and St. Louis County during 2020, WEPOWER and its partners decided to focus on Yes on R, the city campaign.



HOW DOES PROPERTY TAX WORK IN NORTH CAROLINA?

Local governments in North Carolina have the authority to raise property taxes for specific purposes designated by the North Carolina General Assembly. Within the area of “community development programs and activities” child care, health and education are listed explicitly. However, in consulting with several NC local government experts, it remains unclear if a broader set of early childhood programs or initiatives could qualify as a specified purpose.

Alternatively, local governments can adopt a resolution that affirms a desire to provide early childhood services with a portion of the property tax.

LEARN MORE

[Learn more about the programs and services funded through the Children’s Services Fund.](#)