

# MUNICIPALITY OF ANCHORAGE



## ASSEMBLY MEMORANDUM

No. AM 483-2024

Meeting Date: May 21, 2024

1 **From:** Assembly Member Brawley and Assembly Member Perez-Verdia

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3 **Subject:** An Ordinance of the Anchorage Assembly Amending Anchorage  
4 Municipal Code Chapter 4.60 to add a new section, amending  
5 AMC Title 16 to add a New Chapter, and amending AMC Sections  
6 1.35.010, 3.20.010, 3.30.012, and 3.30.172 to establish the  
7 Accountability Board for Child Care and Early Education and the  
8 Principal Executive Officer for the Child Care And Early  
9 Education Fund, to implement Charter § 6.06.  
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12 In April 2023, Anchorage voters approved Proposition 14, establishing the  
13 Anchorage Child Care & Early Education (ACCEE) Fund. This initiative directs all  
14 marijuana tax revenue collected by the Municipality of Anchorage, after payment of  
15 the costs of tax administration, collection and audit to the municipality (the “net  
16 receipts”), to fund child care and early education programs. Proposition 14 responds  
17 to Anchorage's urgent need for affordable and accessible child care, which supports  
18 working families, boosts the economy, and equips children with critical tools for  
19 future success. The ACCEE Fund is expected to generate approximately \$5 million  
20 annually, starting in January 2024.  
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22 The fund addresses a significant child care crisis characterized by a shortage of  
23 affordable options, long waitlists, and staff shortages. The revenue will be used to  
24 enhance access to child care, support early education programs, and improve the  
25 quality of services through grants, studies, and professional development initiatives.  
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### 27 **Summary of the Ordinance**

28 This ordinance establishes the Accountability Board for Child Care and Early  
29 Education, which will oversee the ACCEE Fund. The ordinance includes several key  
30 components including establishment of the board, the board’s responsibilities and  
31 operations, hiring of an executive director, and transitional measures.  
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33 Establishment of the Accountability Board: The ordinance proposes a nine-member  
34 board appointed by the Mayor and confirmed by the Assembly. Board members  
35 must be U.S. citizens, residents of Anchorage, and registered voters in the  
36 municipality. The board's composition will reflect a broad range of stakeholders in  
37 early education and child care, including professionals, parents, and social services  
38 representatives.  
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40 It is best practice within publicly funded systems, including those that serve children  
41 and families, to include those who are most impacted by these systems and  
42 programs as members of the decision-making bodies. In the field of early childhood

1 and child care, these stakeholders include early childhood educators, child care  
2 providers, and parents. Research demonstrates that the benefits of including those  
3 with lived experience as members of decision-making teams developing public  
4 policy may include increased equity and diversity in programs, a shifting of unequal  
5 power dynamics, identification of creative solutions to problems, and more impactful  
6 systems. The proposed board composition is not overly prescriptive, instead opting  
7 to express its intent for the makeup of the board within this framework, while still  
8 allowing the Mayor and Assembly latitude and flexibility in filling the seats  
9 appropriately.

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11 The ordinance proposes board responsibilities to include:

- 12 • Advising the Assembly and Mayor on child care and early education issues;
- 13 • Administering the ACCEE Fund;
- 14 • Overseeing procurement processes, including grants and evaluations;
- 15 • Developing strategic plans and budget recommendations; and
- 16 • Promoting community support and awareness of child care and early  
17 education initiatives.

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19 The ordinance proposes the following board operations:

- 20 • Adoption of policies related to fund management;
- 21 • Regular public hearings to gather community input;
- 22 • Annual evaluations to ensure program effectiveness and accountability; and
- 23 • Coordination with other entities to avoid duplication and enhance service  
24 delivery.

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26 Executive Director: The board may appoint an Executive Director in consultation  
27 with the Mayor, who will serve at the board's pleasure. The Executive Director can  
28 hire additional staff as needed to support the board's functions. The labor costs are  
29 included within the administrative costs limit of 10% established by the initiative, in  
30 Charter § 6.06(d).

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32 Transitional Measures: Until the Executive Director is appointed, the Municipal  
33 Manager, Anchorage Health Department, and Assembly Legislative Services Office  
34 will provide interim support to the board.

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36 Implementation Timeline:

- 37 • January 2024: ACCEE Fund revenue collection begins.
- 38 • Summer 2024: Appointment and confirmation of Accountability Board  
39 members.
- 40 • Summer 2024: Board conducts initial strategic planning and public  
41 hearing(s).
- 42 • Fall 2024: Board proposes the first budget for FY2025.
- 43 • Early 2025: Funds start being dispersed based on approved budget and  
44 strategic plan.

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46 The passage of this ordinance is a critical step in addressing Anchorage's child care  
47 crisis. By establishing a dedicated Accountability Board and a structured process

1 for managing the ACCEE Fund, the Municipality of Anchorage can ensure that the  
2 resources generated from marijuana tax revenue are effectively used to support  
3 child care and early education. This initiative will help working families, strengthen  
4 our local economy, and provide young children with essential early learning  
5 opportunities.

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7 The ACCEE Fund Implementation Team has spent the past seven months engaging  
8 with providers, parents, businesses and the broader community to gather input in  
9 support of its goal to effectively advance and support a more sustainable child care  
10 and early education system in Anchorage. The Implementation Team recommends  
11 the Assembly approve the proposed ordinance to implement Proposition 14 and  
12 establish the necessary framework for the Accountability Board for Child Care and  
13 Early Education.

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15 **We request your support for the ordinance.**

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17 Prepared by: Legislative Services Office  
18 Reviewed by: Assembly Counsel's Office

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20 Respectfully submitted: Anna Brawley, Assembly Member  
21 District 3, West Anchorage

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