



**REGULAR ELECTION
MUNICIPALITY OF ANCHORAGE
APRIL 4, 2023 - OFFICIAL BALLOT**

Barbara A. Jones
Barbara A. Jones
Municipal Clerk

CARD B

TO VOTE: COMPLETELY FILL IN THE OVAL BESIDE THE SELECTION OF YOUR CHOICE AS SHOWN: ●
Use only black or blue pen. **If you make an error on your selection**, make a strikethrough across the oval and name or answer indicating your intent NOT to vote for that candidate or proposition. Do not sign or initial any changes.

PROPOSITION NO. 14

AMENDING THE ANCHORAGE MUNICIPAL CHARTER REGARDING THE MARIJUANA RETAIL TAX AND DEDICATING TAX PROCEEDS TO CHILD CARE AND EARLY EDUCATION

This proposition would establish dedicated funding for child care and early education, an Accountability Board of Child Care and Early Education, dedicate the net retail marijuana sales tax revenues to this board's budgeted activities, and move the marijuana sales taxes from under the tax increase limitation ("tax cap") calculation to be above the tax cap and lower the tax cap one time by one million dollars in 2024.

The proposition would amend the Anchorage Municipal Charter by adding the following new section to Article VI:

Section 6.06.- Dedicating retail marijuana sales tax net proceeds and the Accountability Board of Child Care and Early Education

(a) Dedicated retail marijuana sales tax net proceeds. The net proceeds of the retail marijuana sales tax shall be dedicated to:

- (1) Creating access to child care and early education programs for the residents of Anchorage including foster children;
- (2) Provide funding for reading programs for child care and early education programs;
- (3) Provide resources to increase funding, livable wages, training and staffing for child care and early education programs; and
- (4) Prioritize the utilization of existing school district facilities that are closed, scheduled to be closed, or underutilized for use for child care and early education programs, as long as they are economically feasible, before other facilities are considered for the use of these funds.

(b) Accountability Board of Child Care and Early Education; Composition and Purpose.

There is established an accountability board of child care and early education appointed by the mayor and confirmed by the assembly. The assembly shall establish by ordinance the board's responsibilities, composition and operation. The board's mission and activities shall be for the purpose of supporting and advancing child care and early education in Anchorage. No board member may serve in any elected office, except on a service area board established pursuant to section 9.01 of this Charter. The board shall advise the assembly and administration.

(c) Budget and Funding.

The board shall have a separate budget within the annual municipal budget and it shall be subject to Charter sections 13.03 through 13.08. The board shall prepare a proposed budget and submit it to the mayor and a copy to the assembly at least 120 days before the end of the municipal fiscal year. The budget may provide for investment of funds for use on capital projects or capital programs in future years. The mayor shall submit a proposed budget from the board to the assembly, and it shall be considered and approved separately from the municipal budget. The mayor shall describe any changes made to the budget proposed from the board in a report accompanying the mayor's proposed budget. The assembly shall establish a tax rate at a level sufficient for the approved budget and in accordance with Charter § 14.06. The funding provided under this section shall not duplicate existing funding under Charter § 14.07(b) but may be complementary.

(d) Expenditures and Administrative Limit.

The board may support and advance child care and early education in Anchorage in any manner not prohibited by law, including issuing grants, conducting studies or other research, and funding training or professional development. Grants and fund expenditures shall be used for nonsectarian purposes and may be issued to any public, private, or religious organization otherwise eligible to receive municipal grants and contracts. The board may spend no more than 10% of the funds received each year on its own administrative costs as defined by ordinance. The board shall each year publish a report describing the amounts spent and the results achieved, and other information as the assembly by ordinance may prescribe.

(e) Accountability Board Staff.

The board may, but is not required to, appoint a principal executive officer in consultation with the mayor. The principal executive officer shall serve at the pleasure of the board.

(f) The assembly shall implement this section by ordinance.

And the proposition would amend portions of Anchorage Municipal Charter § 14.03 and § 14.06 as follows (underline and bolded words are proposed new words; **[strikeouts in bold]** are proposed deletions; unchanged current text of the Charter omitted indicated by ***):

Section 14.03. Tax increase limitation.

(b) The limitations set forth in subsection (a) do not apply to the following:

(6) Taxes imposed pursuant to Charter § 14.06 prior to 2019 and subsequent to 2023.

(c) Any tax increases which result from the exceptions set forth in subsection (b)(1)–(3) shall be added to the base amount which is used in subsection (a) for the calculations of the subsequent year tax increase limit. Taxes collected pursuant to Charter § 14.06 in 2018 shall be added to the base amount which is used in subsection (a) for calculations of the 2019 tax increase limit. Taxes collected pursuant to Charter § 14.06 in 2024 and subsequent years shall be in addition to taxes that can be levied pursuant to this section. To ameliorate the effect of excepting taxes in subsection (b)(6) subsequent to 2023, the total amount of municipal tax that can be levied as calculated under subsection (a) for 2024 only shall be reduced by one million dollars.

Section 14.06. - Retail marijuana sales tax.

(a) The assembly is hereby authorized, to the extent provided by law, to levy a tax on all retail sales of marijuana and marijuana products in an amount not to exceed ten percent (10%) [twelve percent (12%)] of the sales price. The initial rate of levy shall be five percent (5%) and may not be increased until after June 30, 2028.

(d) Beginning in 2024, the net receipts from the tax levied under this section, after payment of the costs of tax administration, collection and audit to the municipality, are dedicated and shall be available to use only for the purposes of Charter § 6.06.

Shall the Anchorage Municipal Charter be amended as set forth above, and the Accountability Board of Child Care and Early Education that advises the assembly and administration be established with the retail marijuana sales tax dedicated to child care and early education programs and moved outside the tax cap, and the municipal tax cap be lowered one time in 2024 by one million dollars (\$1,000,000)? (AO 2022-17(S-2), As Amended)

Yes

No