

\*\*\* DRAFT \*\*\*

**ANCHORAGE, ALASKA  
AO No. 2022-17(S)\***

1 AN ORDINANCE SUBMITTING TO THE QUALIFIED VOTERS OF THE  
2 MUNICIPALITY OF ANCHORAGE A BALLOT PROPOSITION AMENDING THE  
3 ANCHORAGE MUNICIPAL CHARTER TO SUPPORT AND ADVANCE EARLY  
4 CHILDHOOD EDUCATION, DEDICATE THE NET PROCEEDS OF THE  
5 CURRENT RETAIL MARIJUANA SALES TAX TO THIS PURPOSE, AND  
6 EXCEPTING THE MARIJUANA TAX FROM THE TAX INCREASE LIMITATION  
7 (“TAX CAP”).  
8

9  
10 **THE ANCHORAGE ASSEMBLY ORDAINS:**

11  
12 **Section 1.** Pursuant to state law and the Anchorage Municipal Charter, a ballot  
13 proposition in substantially the form and substance as set forth in Section 2 below  
14 with proposed amendments to the Charter shall be submitted to the qualified voters  
15 of the Municipality at the next regular election to be held April 4, 2023 [~~5, 2022~~].  
16

17 **Section 2.** The following proposition shall be presented to the voters:  
18

19 **PROPOSITION NO. \_\_**

20  
21 This proposition would establish a board of early childhood education,  
22 dedicate the net retail marijuana sales tax revenues to this board, lower the  
23 maximum tax rate to 10%, prohibit any increase in the tax rate for five  
24 (5) years, and except the marijuana taxes from the tax increase limitation  
25 (“tax cap”). The proposition would amend the Anchorage Municipal Charter  
26 by adding the following new section to Article VI:  
27

28 **Section 6.06. Anchorage Board of Early Childhood Education**

29  
30 (a) **Board Composition and Purpose**

31 There is established a board of early childhood education composed  
32 of three (3) [~~five (5)~~] members appointed by the mayor and confirmed  
33 by the assembly, and two (2) members appointed by a majority  
34 vote of the school board. The board shall receive and manage the  
35 disbursement of all net receipts collected from the marijuana tax  
36 pursuant to § 14.06(d) for the purpose of supporting and advancing  
37 early childhood education in Anchorage. No board member may  
38 serve in any other elected office, except on a service area board  
39 established pursuant to section 9.01 of this Charter.  
40

41 (b) **Budget and Funding**

42 The board shall prepare a budget and a proposed rate of marijuana  
43 tax under Charter § 14.06 sufficient to fund the budget and submit the

\* Because Charter amendment propositions to current Charter language show new language in **bold and underline** and deletion by [~~bold, brackets and strikethrough~~], the changes made by this (S) version to the original AO are shown in **bold and italics**, including [~~deletions~~].

1 budget to the assembly at least 90 days before the end of the  
2 municipal fiscal year. The budget may provide for investment of funds  
3 for use on capital projects or capital programs in future years. **The**  
4 **board's budget shall be submitted, considered and approved**  
5 **separately from the mayor's submittal under Charter § 13.03.** The  
6 assembly may increase or decrease the budget only as to total  
7 amount. The assembly shall approve the budget as amended and  
8 appropriate the necessary funds at least 21 days prior to the end of  
9 the municipal fiscal year. If the assembly fails to approve the budget  
10 and make the necessary appropriation within the time stated, either  
11 before or by veto override after a veto of all or a portion of a budget,  
12 the board's proposal shall become the approved budget and  
13 appropriation for the fiscal year without further assembly action. The  
14 assembly shall establish a tax rate at a level sufficient for the approved  
15 budget and in accordance with Charter §14.06.

16  
17 (c) **Expenditures and Administrative Limit**

18 The board may support and advance early childhood education in  
19 Anchorage in any manner not prohibited by law, including issuing  
20 grants, conducting studies or other research, and funding training or  
21 professional development. The board may spend no more than 10%  
22 of the funds received each year on its own administrative costs as  
23 defined by ordinance. The board shall each year publish a report  
24 describing the amounts spent and the results achieved, and other  
25 information as the assembly by ordinance may prescribe.

26  
27 (d) The assembly shall implement this section by ordinance.

28  
29 And by amending portions of Anchorage Municipal Charter § 14.03 and §  
30 14.06 as follows (additions shown in **underline and bold**, deletions indicated  
31 by **[brackets, strikethrough, and bold]**; current text of the Charter omitted  
32 indicated by **\*\*\***):

33  
34 **Section 14.03. Tax increase limitation.**

35 \*\*\*

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

38 \*\*\*

39 (6) Taxes imposed pursuant to Charter § 14.06 prior to 2019 **and**  
40 **subsequent to 2023 [2022].**

41  
42 (c) Any tax increases which result from the exceptions set forth in  
43 subsection (b)(1)—(3) shall be added to the base amount which is  
44 used in subsection (a) for the calculations of the subsequent year tax  
45 increase limit. Taxes **imposed [collected]** pursuant to Charter §  
46 14.06 in **2023 [2022] [2018]** shall be added to the base amount which  
47 is used in subsection (a) for calculations of the **2024 [2023] [2019]** tax  
48 increase limit **but taxes imposed in subsequent years are**  
49 **excepted from the limitation pursuant to subsection (b)(6).**  
50

**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.**

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**(d) Beginning in 2024 [2023], 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 Anchorage Board of Early Childhood Education be established with the retail marijuana sales tax dedicated to its use and outside the tax cap?

Yes [ ]      No [ ]

**Section 3.** The amendments to the Charter shall be effective 30 days after certification of the election, subject to approval of the proposition contained in Section 2 of this ordinance. The remainder of this ordinance shall be effective immediately upon passage and approval of the Assembly.

PASSED AND APPROVED by the Anchorage Assembly this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

Chair \_\_\_\_\_

ATTEST:

\_\_\_\_\_  
Municipal Clerk