

Municipal Clerk's Office
Amended and Approved
Date: **January 28, 2020**
Immediate Reconsideration Failed
Date: **January 28, 2020**

Submitted by: Assembly Chair Rivera and Assembly
Members Quinn-Davidson and Dunbar
Prepared by: Assembly Counsel
For reading: January 14, 2020

ANCHORAGE, ALASKA
AO No. 2019-148(S-1)*, As Amended

1 AN ORDINANCE OF THE ANCHORAGE ASSEMBLY SUBMITTING TO THE
2 QUALIFIED VOTERS OF THE MUNICIPALITY OF ANCHORAGE A BALLOT
3 PROPOSITION AMENDING THE ANCHORAGE MUNICIPAL CHARTER TO
4 AUTHORIZE AN ALCOHOLIC BEVERAGES RETAIL SALES TAX AND
5 DEDICATING THE NET RECEIPTS REVENUE TO PUBLIC SAFETY, [AND]
6 HEALTH, AND HOMELESSNESS PURPOSES, REQUIRING VOTER APPROVAL
7 TO INCREASE THE TAX OR CHANGE THE DEDICATED USES, AND RELATED
8 MATTERS.
9

10
11 **[Note: this shows changes from the original AO to this S-1 version in legislative drafting*
12 *format, it does not show the S-version changes.]*
13

14 **THE ANCHORAGE ASSEMBLY ORDAINS:**

15
16 **Section 1.** Pursuant to state law and the Anchorage Municipal Charter, a ballot
17 proposition in substantially the same form as appears in Section 2 below shall be
18 placed on the ballot and submitted to the qualified voters of the Municipality at the
19 regular municipal election on April 7, 2020.
20

21 **Section 2.** The proposition shall be presented in substantially the following form:
22

23 PROPOSITION NO. _____

24
25 **CHARTER AMENDMENT**
26 **RETAIL SALES TAX ON ALCOHOLIC BEVERAGES OF 5%**
27 **DEDICATING THE REVENUE TO PUBLIC SAFETY AND HEALTH**
28 **PURPOSES**
29

30 This proposition would amend the Anchorage Municipal Charter by adding a
31 new section 14.07 to read as follows:
32

33 **Section 14.07 Alcoholic beverages retail sales tax.**

34 (a) Tax levy and effective date:
35

1 The assembly is hereby authorized to levy a five percent
2 (5%) tax on all retail sales of alcoholic beverages. The
3 tax levy shall be effective February 1, 2021.
4

5 (b) Dedication of proceeds:

6 The net receipts from the alcoholic beverages retail
7 sales tax, after payment of the costs of administration,
8 collection and audit to the municipality, are dedicated
9 **and shall be available to use only for:**

- 10
- 11 (1) Funding for police, **related criminal justice**
12 **personnel**, and first responders;
 - 13 (2) Funding to combat and address child abuse,
14 sexual assault, and domestic violence; and
 - 15 (3) Funding for substance misuse treatment, **[and]**
16 **prevention programs, detoxification or long-**
17 **term addiction recovery facilities,** mental and
18 behavioral health programs, and resources to
19 **prevent and** address Anchorage's
20 homelessness crisis.
21

22 (c) No increase of the alcoholic beverages retail sales tax
23 **above five percent (5%)** or change of the use of its
24 proceeds may be made without approval of the majority
25 of qualified voters voting on the question.
26

27 **(d) At least 120 days before the end of the fiscal year of**
28 **the municipality and at such other times as the**
29 **assembly directs, the mayor shall submit to the**
30 **assembly a report of the tax revenues collected and**
31 **expended. The report of expenses shall be itemized**
32 **by each authorized use or purpose and presented**
33 **to the public.**
34

35 **(e) The net receipts described in subsection (b) shall**
36 **not be used to supplant funding for existing service**
37 **levels contained in the actual operating budget for**
38 **fiscal year 2020 and the funding to provide for and**
39 **maintain that level of service in subsequent years.**
40 **The dedicated net receipts shall only be used to**
41 **provide additional service levels above the 2020**
42 **baseline.**
43

And by amending Anchorage Municipal Charter, Article II (4), and Charter §14.01(b) as follows (**underlined and bolded words** are proposed new words; ~~strikeouts in bold~~ are proposed deletions):

ARTICLE II BILL OF RIGHTS

This Charter guarantees rights to the people of Anchorage that are in addition to rights guaranteed by the Constitution of the United States of America and the Constitution of the State of Alaska. Among rights guaranteed by this Charter are:

*** **

(4) The right of immunity from sales taxes, except upon approval by three-fifths (3/5) of the qualified voters voting on the question, except the ~~taxes~~ imposed by Charter ~~§ Section~~ 14.05 **and § 14.07** shall be effective if approved by a majority (50 percent + one) of the qualified voters voting on the question.

Section 14.01 Taxing Authority

*** **

(b) Unless otherwise provided in this Charter, no sales tax ordinance is valid until ratified by three-fifths (3/5) of those voting on the question at a regular or special election, except the ~~taxes~~ imposed by Charter § 14.05 **and § 14.07** shall be effective if approved by a majority (50%+ one) of the qualified voters voting on the question.

If approved by a majority of the voters voting on the question at the April 7, 2020 Regular Election, the amendments to the Charter above shall be effective upon certification of the election.

Shall the Anchorage Municipal Charter be amended as set forth above, and the 5% retail sales tax on alcoholic beverages be approved?


Yes [] No []

Section 3. (This section is new in the S-1 version) **If the proposition in Section 2 is approved by the voters, the administration shall account for the revenues and expenditures of the tax proceeds by separate fund or account.**

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Section 4. Section 1 of this ordinance shall become effective immediately upon passage and approval by two-thirds of the total membership of the Assembly as set forth in Charter § 18.02. The proposition contained in Section 2 of this ordinance shall be incorporated into the Home Rule Charter for the Municipality of Anchorage and effective upon and only if the proposition is certified as approved by a majority of the qualified voters voting on said proposition at the regular municipal election of April 7, 2020. The remainder of this ordinance is effective upon passage and approval.

PASSED AND APPROVED by the Anchorage Assembly this 28th day January, 2020.



Chair

ATTEST:



Municipal Clerk

for



MUNICIPALITY OF ANCHORAGE

Assembly Memorandum

No. AM 816-2019(A-1)

Meeting Date: January 14, 2020

1 **From: ASSEMBLY CHAIR RIVERA, AND ASSEMBLY MEMBERS QUINN-**
2 **DAVIDSON AND DUNBAR**

3
4 **Subject: AO 2019-148(S-1): AN ORDINANCE OF THE ANCHORAGE ASSEMBLY**
5 **SUBMITTING TO THE QUALIFIED VOTERS OF THE MUNICIPALITY OF**
6 **ANCHORAGE A BALLOT PROPOSITION AMENDING THE ANCHORAGE**
7 **MUNICIPAL CHARTER TO AUTHORIZE AN ALCOHOLIC BEVERAGES**
8 **RETAIL SALES TAX AND DEDICATING THE NET RECEIPTS REVENUE TO**
9 **PUBLIC SAFETY, [AND] HEALTH, AND HOMELESSNESS PURPOSES,**
10 **REQUIRING VOTER APPROVAL TO INCREASE THE TAX OR CHANGE**
11 **THE DEDICATED USES, AND RELATED MATTERS.**
12

13 The sponsors of the original AO 2019-148 propose several changes in this S-1 version.
14 Most of the changes are for clarity and specificity in the ballot proposition language.
15 Substantive changes include adding the following:
16

- 17 • Detoxification and long-term addiction recovery facilities to the list of dedication
18 purposes.
- 19 • Prevention of homelessness to the list of dedication purposes.
- 20 • Subsection 14.07(d) to require annual reporting from the Administration regarding
21 the tax revenues and expenditures, itemized for each dedicated purpose.
- 22 • Subsection 14.07(e) to explicitly prevent the new tax revenue from being used for
23 currently provided services. The revenues should be used only for increasing the
24 level of service in each of the areas of dedicated purposes. 2020 is used as the
25 baseline year, since the tax should be effective in 2021 and budgeted for
26 increasing service levels, if approved by the voters.
- 27 • New Section 3 to require the alcohol tax to be accounted for separately in its own
28 fund. It is important the public understands this new revenue stream for limited,
29 dedicated purposes is not commingled in the general fund.
30

31 We request your support for AO 2019-148(S-1) alcoholic beverages retail sales tax.
32

33 Respectfully submitted: Felix Rivera, Assembly Chair
34 District 4 – Midtown

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36 Austin Quinn-Davidson, Assembly Member
37 District 3 – West Anchorage

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39 Forrest Dunbar, Assembly Member
40 District 5 – East Anchorage