

Submitted by: Assembly Member Weddleton  
Prepared by: Assembly Counsel  
Reviewed by: Department of Law  
For reading: December 17, 2019

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

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

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11 **THE ANCHORAGE ASSEMBLY ORDAINS:**

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

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

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20 PROPOSITION NO. \_\_\_\_\_

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22 **CHARTER AMENDMENT**  
23 **RETAIL SALES TAX ON ALCOHOLIC BEVERAGES OF UP TO 5%**  
24 **DEDICATING THE REVENUE TO PUBLIC SAFETY AND HEALTH AND**  
25 **HOMELESSNESS-RELATED PURPOSES**

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27 This proposition would amend the Anchorage Municipal Charter by adding  
28 a new section 14.07 to read as follows:

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

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32 (a) Tax levy and effective date:  
33 The assembly is hereby authorized to levy a **[FIVE**  
34 **PERCENT (5%)]** tax on all retail sales of alcoholic  
35 beverages **not to exceed five percent (5%)**. The  
36 **initial** tax **rate of** levy shall be **two percent (2%) and**  
37 **effective January 1, 2021. The assembly may by**  
38 **ordinance increase the tax rate when reasonable,**  
39 **necessary, and directly related to the purposes to**  
40 **which the tax net receipts are dedicated. An**  
41 **ordinance increasing the tax rate shall require the**  
42 **increase to be terminated or reduced when the**

1 **purpose(s) thereof cease to require payment of**  
2 **financing obligations or operating costs.**

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4 (b) Dedication of proceeds:  
5 The net receipts from the on alcoholic beverages  
6 retail sales tax, after payment of the costs of  
7 administration, collection and audit to the municipality,  
8 are dedicated **and shall be available** to **use only for**

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10 **(1) up to half the costs, where the other funds**  
11 **may be from any source other than**  
12 **municipal alcohol retail tax revenue, for**  
13 **construction or operation of:**

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15 **(A) detoxification or long-term addiction**  
16 **recovery facilities, or**

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18 **(B) temporary shelter for homeless**  
19 **persons;**

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22 **(2) behavioral health programs; and**

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24 **(3) homelessness prevention and response,**  
25 **including abatement of prohibited**  
26 **campsites.**

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28 **[(1) Funding for police and first responders;**  
29 **(2) Funding to combat and address child abuse,**  
30 **sexual assault, and domestic violence; and**  
31 **(3) Funding for substance misuse, treatment and**  
32 **prevention programs, mental and behavioral health**  
33 **programs, and resources to address Anchorage's**  
34 **homelessness crisis.]**

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36 (c) No increase of the alcoholic beverages retail sales tax  
37 **above five percent (5%)** or change of the use of its  
38 proceeds may be made without approval of the  
39 majority of qualified voters voting on the question.

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41 (d) **The assembly may direct the use of net receipts**  
42 **from the tax to support securing or repaying**  
43 **obligations by or on behalf of the municipality in**

order to finance projects for purposes described in subsection (b).

(e) At least 120 days before the end of the fiscal year of the municipality and at such other times as the assembly directs, the mayor shall submit to the assembly a report of the tax revenues collected and expended. The report of expenses shall be itemized by each authorized use or purpose.

(f) The assembly shall enact such additional provisions, not inconsistent with this section, as necessary or desirable to implement this section. The assembly may prescribe exemptions to the tax imposed by this section by ordinance.

[Note: in the S-version the language below with ~~strikethrough~~ is omitted from the ballot, the Charter language is not to be affected]

[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 tax~~[ES]~~ 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**

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~~(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 tax~~[ES]~~ 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 **three-fifths (3/5) [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.** 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 Section 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 **three-fifths (3/5) [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 \_\_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
Chair

ATTEST:

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

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