

**RESOLUTION NO.****RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SACRAMENTO, STATE OF CALIFORNIA, CALLING FOR AN ELECTION TO PRESENT TO THE VOTERS OF THE COUNTY A PROPOSED ORDINANCE ADDING CHAPTER 3.50, TO TITLE 3 OF THE SACRAMENTO COUNTY CODE ESTABLISHING A CANNABIS BUSINESS TAX ON CANNABIS AND HEMP BUSINESS ACTIVITIES, AND ORDERING CONSOLIDATION OF SAID ELECTION WITH THE CONSOLIDATED GENERAL ELECTION CALLED FOR NOVEMBER 8, 2022 (COUNTYWIDE)**

**WHEREAS**, Revenue and Taxation Code sections 7284 and 7284.4 provide that a county may establish business licenses and a license tax, subject to any-applicable voter approval requirement imposed by law; and

**WHEREAS**, Government Code sections 53722 and 53724 provide that a legislative body may not impose a special tax unless or until the tax is submitted to the electorate of the local government and approved by a two-thirds majority vote of the voters voting in an election on the issue; and

**WHEREAS**, Government Code section 53724 additionally provides that no tax subject to the vote requirement prescribed by Government Code section 53722 (special taxes) shall be presented at an election unless the ordinance or resolution proposing such tax is approved by a majority of the legislative body of the local government; and

**WHEREAS**, Elections Code section 9140 authorizes the Board of Supervisors to submit to the voters, without a petition, an ordinance for the repeal, amendment or enactment of any ordinance; and

**WHEREAS**, through the passage of Proposition 215 in 1996, the voters of the State of California authorized the use of cannabis for medical purposes; and

**WHEREAS**, through the passage of Proposition 64, known as the Adult Use of Marijuana Act, approved by the voters in the November 2016 General Election, legalized and regulates recreational cannabis in the State of California; and

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**WHEREAS**, as a result of the recent voter-approved changes to state law, there has been a strong interest by cannabis businesses to open in the unincorporated area of the County; and

**WHEREAS**, the California Industrial Hemp Farming Act, (Government Code Section 81600 et seq. and related regulations) authorizes the commercial production of Industrial Hemp in California; and

**WHEREAS**, if cannabis and hemp businesses are authorized in the unincorporated area of the County, they are likely to create demands upon the County services, and the County does not currently impose any taxes on cultivation, manufacturing, distribution, testing labs, and retail cannabis businesses, aside from generally applicable taxes; and

**WHEREAS**, Title 3 of the Sacramento County Code, relating to Revenue and Taxation, does not currently include cannabis businesses and such businesses are not specifically placed in a classification category; and

**WHEREAS**, the Board of Supervisors of the County of Sacramento desires to create a new Chapter 3.50, creating new business license tax rates for the following types of cannabis and hemp businesses: (a) Retailers (b) Cultivation, (c) Manufacturing, (d) Testing Labs, (e) Distribution, (f) Microbusinesses and (g) other commercial cannabis activity which has been issued a permit to operate lawfully in the unincorporated area of the County or is operating unlawfully; and

**WHEREAS**, as the County of Sacramento seeks adequate funding to provide essential public services, all revenues received from the taxes imposed by Chapter 3.50 shall be deposited in the County's Special Fund to

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be expended for services addressing homelessness, including on the American River Parkway; and

**WHEREAS**, on July 26, 2022 the Board of Supervisors of the County of Sacramento considered and approved to submit to the voters the Ordinance adding Chapter 3.50, Title 3 in the County Code thus establishing a Cannabis Business Tax;

**NOW, THEREFORE, BE IT RESOLVED** that the Board of Supervisors of the County of Sacramento does hereby declare and order the proposed Ordinance, be submitted to a vote of the qualified electors of the County of Sacramento on the November 8, 2022, General Election ballot, as follows:

1. There shall be included on the ballot to be marked by all Sacramento County voters, in addition to any other matters required by law, a ballot measure in substantially the following form:

<p>Shall the measure to fund enhanced County homeless services, including those benefitting the American River Parkway, by establishing a special tax on the gross receipts from cannabis and hemp businesses in unincorporated Sacramento County, not exceeding 6% for retail, 4% for manufacturing, 3% for distribution, 2% for testing and, 3% for cultivation or \$10 per canopy square foot inflation adjustable, generating an estimated \$5,100,000 to \$7,700,000 annually, and levied until repealed by voters, be adopted?"</p>	<b>YES</b>	
	<b>NO</b>	

A mark in the voting square after "YES" shall be counted in favor of the adoption of the proposed ordinance. A mark placed in the voting square

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after "NO" shall be counted against the adoption of the proposed ordinance.

2. The ballot to be used at the election shall be, both as to form and matter contained therein, such as may be required by law.

3. The County Department of Voter Registration and Elections is hereby authorized, instructed and directed to provide and furnish any and all official ballots, notices, printed matter, and all supplies, equipment, and paraphernalia that may be necessary in order to properly and lawfully conduct this election.

4. The County Department of Voter Registration and Elections shall fix and determine dates for submission of arguments for or against said proposed Ordinance pursuant to the provisions of the Elections Code.

5. The County Department of Voter Registration and Elections is further directed to take the necessary and appropriate action to provide the election officers, polling places and voting precincts.

6. In accordance with Elections Code section 9160, the County Department of Voter Registration and Elections shall transmit a copy of the measure to the County Auditor and County Counsel.

7. In accordance with the provisions of the Elections Code of the State of California, County Counsel is directed to prepare an impartial analysis of the measure and the County Auditor is directed to prepare a fiscal impact statement.

8. The polls for this election shall be open during the hours required by law and this election, with respect to the foregoing ballot

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measure, shall be held and conducted as provided by law for the holding of County initiative elections.

9. Notice of the time and place of holding this election together with any other notices required by law shall be given by the County Department of Voter Registration and Elections.

10. Arguments for or against the measure may be submitted in conformity with Elections Code section 9161, *et seq.*

11. The County Department of Voter Registration and Elections and the County Executive Officer are hereby authorized and directed to take any and all actions necessary under law to prepare for and conduct the general election and appropriate all monies necessary for the County Department of Voter Registration and Elections and the County Executive Officer to prepare and conduct the general election in a manner consistent with state and local laws.

On a motion by Supervisor \_\_\_\_\_, seconded by Supervisor \_\_\_\_\_, the foregoing Resolution was passed and adopted by the Board of Supervisors of the County of Sacramento this 26<sup>th</sup> day of July, 2022, by the following vote, to wit:

AYES: Supervisors,

NOES: Supervisors,

ABSENT: Supervisors,

ABSTAIN: Supervisors,

RECUSAL: Supervisors,

(PER POLITICAL REFORM ACT (§ 18702.5.)

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Chair of the Board of Supervisors  
of Sacramento County, California

(SEAL)

ATTEST: \_\_\_\_\_  
Clerk, Board of Supervisors