

## COUNTY OF SACRAMENTO

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### MEASURE B

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canopy square foot inflation adjustable, generating an estimated \$5,100,000 to \$7,700,000 annually, and levied until repealed by the voters, be adopted?

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### IMPARTIAL ANALYSIS OF MEASURE B Cannabis Business Special Tax Prepared by County Counsel

Measure B, placed on the ballot by the County of Sacramento Board of Supervisors, asks the voters to adopt a Cannabis Business Tax Ordinance that would impose a special tax on all cannabis and industrial hemp businesses operating within the unincorporated County, beginning ten (10) days after the vote is declared by the County of Sacramento Board of Supervisors. The proceeds of the tax imposed shall be placed in a special fund and shall be used only for County services addressing homelessness, including on the American River Parkway. The Ordinance authorizes the following maximum tax rates:

1. For commercial cannabis cultivation, including cultivation of industrial hemp:
  - a. Ten dollars (\$10.00) per square foot of canopy space in a facility that uses exclusively artificial lighting.
  - b. Seven dollars (\$7.00) per square foot of canopy space in a facility that uses a combination of natural and supplemental artificial lighting.
  - c. Four dollars (\$4.00) per square foot of canopy space in a facility that uses no artificial lighting.
  - d. Two dollars (\$2.00) per square foot of canopy space for any nursery.
2. For operation of a testing laboratory for cannabis, cannabis products, hemp and/or hemp products, a maximum tax rate not to exceed two percent (2%) of gross receipts.
3. For retail sales of cannabis, cannabis products, hemp and/or hemp products, a maximum tax rate not to exceed six percent (6%) of gross receipts.
4. For distribution of cannabis, cannabis products, hemp and/or hemp products, a maximum tax rate not to exceed three percent (3%) of gross receipts.
5. For manufacturing or processing of cannabis, cannabis products, hemp and/or hemp products, or any other type of cannabis business, a maximum tax rate not to exceed four percent (4%) of gross receipts.

On January 1, 2024 and each January 1 thereafter, the maximum annual tax rates of commercial cannabis and/or commercial industrial hemp cultivation will increase by the percentage increase in the Consumer Price Index for consumers in the San Francisco-Oakland-Hayward region published

by the United States Bureau of Labor Statistics. The Ordinance allows the Board of Supervisors to set the tax rate for each type of cannabis business in an amount equal to or lesser than the maximum rate.

It is estimated by the County's Finance Director that this tax would generate \$5,100,000 to \$7,700,000 per year for the County.

Passage of Measure B requires approval by two-thirds of the voters voting thereon.

A "YES" vote on Measure B means you wish to enact the special tax.

A "NO" vote on Measure B means you do not wish to enact the special tax.

The above statement is an impartial analysis of Ordinance or Measure B. If you desire a copy of the ordinance or measure, please call the election official's office at (916) 875-6365 and a copy will be mailed at no cost to you. You may also access the full text of the measure on the county website at the following website address [www.elections.saccounty.gov](http://www.elections.saccounty.gov).

### **ARGUMENT IN FAVOR OF MEASURE B**

**Vote YES on Measure B** for a clean and safe American River Parkway and to help reduce homelessness in Sacramento County, **at no cost to taxpayers!**

**Vote YES on Measure B** to assess revenue from carefully controlled, future cannabis-related businesses throughout unincorporated Sacramento County, **now that California voters have legalized marijuana.**

Measure B would allow revenue collection from future **cannabis-related businesses -- subject to strict guidelines and licensing** -- in unincorporated areas where most Sacramento County residents live. Currently, Sacramento and Isleton are the only local cities that permit dispensaries, limiting revenue for homeless services, housing and protection of the American River Parkway.

Measure B would impose **a tax on the gross receipts of cannabis-related** businesses that operate in unincorporated Sacramento County. **It is not a tax on consumer sales!**

Measure B would **generate up to \$7.7 million a year** for a safer and more beautiful American River Parkway, and for new efforts to address homelessness -- **all at no cost to taxpayers.**

The tragedy of homelessness affects us all and is our generation's top priority to solve. Unhoused people can be found suffering in every community, and especially in the American River Parkway. **The funds raised by Measure B will provide important new resources to help get people back on their feet and off the streets.**

So, too, the American River Parkway needs significant help -- including **more resources to beautify our "Crown Jewel" regional park**, improve safety and help **reduce homeless camping** along its 32-mile length.

**Vote YES on Measure B** to tax future cannabis-related businesses serving all Sacramento County residents, improve **the safety and beauty of the American River Parkway**, and to **help unhoused men, women and children get the services and housing they need.**

Measure B is supported by County Supervisor Phil Serna and County Supervisor Rich Desmond.  
**Vote YES on Measure B.**

s/Phil Serna  
Board of Supervisor, County of Sacramento  
s/Rich Desmond  
Board of Supervisor, County of Sacramento

\*\*\*NO REBUTTAL TO ARGUMENT IN FAVOR OF MEASURE B WAS FILED\*\*\*

\*\*\*NO ARGUMENT AGAINST MEASURE B WAS FILED\*\*\*

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