

RESOLUTION 2022 - 5

**RESOLUTION PRESENTING TO QUALIFIED ELECTORS OF LEWIS AND CLARK COUNTY
THE QUESTION OF A 3% LOCAL-OPTION NON-MEDICAL MARIJUANA EXCISE TAX
PURSUANT TO HB701**

WHEREAS, House Bill (HB) 701 allows for the operation of various categories of marijuana businesses and taxation of marijuana retail sales in Montana Counties in which a majority of voters approved Initiative Measure 190 in the November 3, 2020 election;

WHEREAS, the majority of Lewis and Clark County voters voted to approve Initiative Measure No. 190 in the November 3, 2020 election; and

WHEREAS, Sections 94-98 of HB701 give to qualified electors of each County authority to authorize the imposition of a local-option marijuana excise tax up to 3% on non-medical marijuana sales by an election using specific processes set forth therein; and

WHEREAS, the local-option marijuana excise tax, if approved by a majority of qualified electors of Lewis and Clark County, would become effective October 1, 2022; and

WHEREAS, the local-option marijuana excise tax is a tax on the retail value of all non-medical marijuana and non-medical marijuana products sold within the County; and

WHEREAS, 50% of the resulting tax revenue must be retained by Lewis and Clark County; 45% of the resulting tax revenue must be apportioned to municipalities on the basis of the ratio of the population of the city or town to the total county population; and the remaining 5% of the resulting tax revenue must be retained by the Montana Department of Revenue to defray costs associated with administering the tax; and

WHEREAS, local governments have limited sources of revenue, and a new local-option marijuana excise tax would help diversify local revenue generation; and

WHEREAS, in accordance with Montana law the revenue of local-option marijuana excise tax may be used for any activity, undertaking, or administrative service that the County is authorized by law to perform, including costs resulting from the imposition of the tax or due to administrative burdens imposed on the County as a result of licensing or regulatory requirements; and

WHEREAS, as set forth by sections 94 through 98 of HB701 the qualified electors of a county are delegated the power to authorize their County to impose a local-option marijuana excise tax within the corporate boundary of the County; and

WHEREAS, If passed, the marijuana excise tax will be assessed on retail sales of non-medical marijuana and non-medical marijuana products sold within Lewis and Clark County effective October 1, 2022, and

WHEREAS, the Board of County Commissioners is authorized pursuant to Section 96 of HB701 to pass a resolution referring the question of a local-option marijuana excise tax of up to 3% on all non-medical marijuana and non-medical marijuana products sold within Lewis and Clark County to qualified electors of Lewis and Clark County.

NOW THEREFORE, it is hereby Resolved as follows:



1. Calling of the Election. The Board of County Commissioners of Lewis and Clark County, Montana, hereby calls and directs a County election to be held on June 7, 2022, in conjunction with the primary election, for the purpose of voting on the following question.

In accordance with Montana law the revenue of local-option marijuana excise tax may be used for any activity, undertaking, or administrative service that the County is authorized by law to perform, including costs resulting from the imposition of the tax or due to administrative burdens imposed on the County as a result of licensing or regulatory requirements.

Shall Lewis and Clark County impose a 3% local-option marijuana excise tax on the retail value of all non-medical marijuana and all non-medical marijuana products sold within Lewis and Clark County?

FOR a 3% (three percent) Marijuana Local-Option Excise Tax for all non-medical marijuana and non-medical marijuana products

AGAINST a 3% (three percent) Marijuana Local-Option Excise Tax for all non-medical marijuana and non-medical marijuana products.

2. Conduct of the Election. The Board of County Commissioners of Lewis and Clark County, Montana direct the election be conducted with the primary election of the general 2022 election. All qualified electors of the County shall be entitled to vote at the election. The Lewis and Clark County Election Administrator is hereby directed and authorized to give proper notice of the close of registration and thereafter prepare lists of the electors in the County entitled to vote in the election in the County and to conduct the election in the form and manner prescribed by law.
3. Effective date of tax. The marijuana excise tax will be assessed on retail sales of non-medical marijuana and non-medical marijuana products sold within Lewis and Clark County beginning October 1, 2022.
4. Authorized use of tax. In accordance with Montana law the revenue of local-option marijuana excise tax may be used for any activity, undertaking, or administrative service that the County is authorized by law to perform, including costs resulting from the imposition of the tax or due to administrative burdens imposed on the County as a result of licensing or regulatory requirements.
5. Notice of Election. The Election Administrator is hereby authorized and requested to cause notice of the goods subject to the local-option marijuana excise tax as

required in HB 701 Section 96 and in 13-1-108, MCA. The notice shall read substantially as follows:

Notice is hereby given that in Lewis and Clark County on June 7, 2022 a political subdivision election will be held in the County on the question of establishing a 3% local-option marijuana excise tax on the retail value of all non-medical marijuana and non-medical marijuana products sold within Lewis and Clark County as follows:

Shall Lewis and Clark County impose a 3% local-option marijuana excise tax on the retail value of all non-medical marijuana and all non-medical marijuana products sold within Lewis and Clark County?

In accordance with Montana law the revenue of local-option marijuana excise tax may be used for any activity, undertaking, or administrative service that the County is authorized by law to perform, including costs resulting from the imposition of the tax or due to administrative burdens imposed on the County as a result of licensing or regulatory requirements.

If passed, the marijuana excise tax will be assessed on retail sales of non-medical marijuana and non-medical marijuana products sold within Lewis and Clark County effective October 1, 2022.

Election Administrator

6. Ballot Issue. The Ballot question shall be printed in substantially the following form:

BALLOT ISSUE
LEWIS AND CLARK COUNTY NON-MEDICAL MARIJUANA EXCISE TAX
PROPOSITION

Shall Lewis and Clark County impose a 3% local-option marijuana excise tax on the retail value of all non-medical marijuana and all non-medical marijuana products sold within Lewis and Clark County?

In accordance with Montana law the revenue of local-option marijuana excise tax may be used for any activity, undertaking, or administrative service that the County is authorized by law to perform, including costs resulting from the imposition of the tax or due to

administrative burdens imposed on the County as a result of licensing or regulatory requirements.

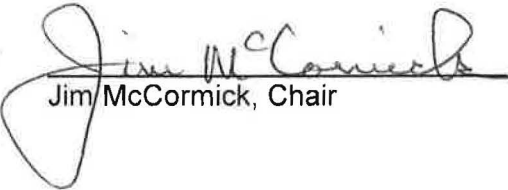
FOR a 3% (three percent) Marijuana Local-Option Excise Tax for all non-medical marijuana and non-medical marijuana products

AGAINST a 3% (three percent) Marijuana Local-Option Excise Tax for all non-medical marijuana and non-medical marijuana products.

A copy of this resolution will be provided to the County Election Administrator as soon as possible after its adoption and approval in order to inform the Administrator of the details of the election and pertinent requests and authorizations as to the conduct of the election.

PASSED AND ADOPTED by the Board of County Commissioners of Lewis and Clark County, Montana this 8th day of February 2022.

**LEWIS AND CLARK COUNTY
BOARD OF COMMISSIONERS**


Jim McCormick, Chair

ATTEST:



Amy Reeves, Clerk of the Board

