

NOVEMBER 11, 2015

Sacramento Councilman Jay Schenirer to seek marijuana tax measure

Councilman Jay Schenirer seeks 2016 ballot measure to tax recreational, medical pot

Revenue from tax would fund youth programs in the city



In this Aug. 19, 2015 photo, a customer checks the aroma of a jar of medicinal marijuana at Canna Care, a medical marijuana dispensary in Sacramento, Calif. (AP Photo/Rich Pedroncelli) **Rich Pedroncelli** AP

BY RYAN LILLIS

rlillis@sacbee.com

A Sacramento city councilman says he will propose a package of ballot measures in 2016 to tax the sale and cultivation of marijuana in the city to fund youth programs.

Councilman Jay Schenirer said Tuesday he is working on ballot language that would also propose increasing the rate at which medical marijuana is taxed in Sacramento. Medicinal pot is currently taxed at 4 percent.



District 5 city council member Jay Schenirer at City Hall on February 26, 2013 in Sacramento, Calif. **Paul Kitagaki Jr.** pkitagaki@sacbee.com

Schenirer's proposal also would tax recreational marijuana in the city if California voters legalize pot use beyond medical purposes next year.

Several statewide initiatives to legalize marijuana are being discussed, including one proposal that is expected to be financed by former Facebook President Sean Parker. That initiative is already supported by two national cannabis organizations and would allow adults over the age of 21 to possess, use and share up to 1 ounce of marijuana.

In addition to taxing recreational sales of pot, Schenirer's proposal would tax cultivation of medicinal and recreational pot based on the square footage of the marijuana canopy being grown, he said.

Schenirer has not yet established the tax rates for his proposal.

Just last week, Leyne Milstein, the city's finance director, suggested the city explore taxing recreational marijuana. She said a levy of up to 10 percent could generate at least \$2 million a year for the city's general fund budget, which pays for most basic services.

Sacramento voters have already expressed an appetite for placing special taxes on pot use. In 2010, voters overwhelmingly approved a local ballot measure that would have taxed recreational pot sales at 10 percent if a statewide marijuana legalization measure on the same ballot also passed. The statewide measure failed.

Schenirer said part of the revenue provided by his ballot measure would go to the general fund. But, he said, he would prefer youth programs in the city receive the majority of the funding. The City Council would debate next year how to divvy up the revenue before finalizing the ballot measure language, he said.

Altogether, Schenirer said his tax plan could provide between \$6 million and \$8 million to the city.

Job training programs, internships, preschools and school transportation could benefit from the tax, according to Schenirer. The funding would also allow the city to create a Department of Youth that helps oversee those programs, he said.

“We don’t provide enough support and services for young people,” he said.

Derrell Roberts, a North Sacramento community activist who runs youth programs, is supporting Schenirer’s tax plan. He said past proposals, including a 2008 plan to fund anti-gang efforts with a sales tax increase, have lacked the necessary political and community support.

“We need to invest in our youth and there should be a dedicated funding stream for that,” he said.

Max Del Real, a lobbyist with Sacramento-based California Capitol Solutions who represents local medical marijuana dispensaries, said his clients “are very supportive of an opportunity to work with the city in partnership on this issue.”

“My clients understand their business is new and obviously because of that, they have to contribute their fair share back to the city,” he said.

Del Real said a 4 percent tax on medical marijuana approved by city voters in 2010 was “a way for both sides to meet in the middle.” And while some cities have already begun taxing medical pot at 10 percent, “you have to be fair and reasonable.”

“What we don’t want to see is an industry that is overtaxed, whereby certain patients and customers are attracted to the black market,” he said.

Ryan Lillis: 916-321-1085, @Ryan_Lillis

Read more here: <http://www.sacbee.com/news/local/news-columns-blogs/city-beat/article44263764.html#storylink=cpy>