

2017 - 2018 Seattle City Council Green Sheet

Ready for Notebook

Tab	Action	Option	Version
338	1	B	2

Budget Action Title: Amend and pass CB XXXXXX increasing the marijuana business license fee in 2017. Reduce GSF support to FAS for regulation of the industry by \$429,752 in 2017 and \$436,993 in 2018

Ongoing: Yes

Has CIP Amendment: No Has Budget Proviso: No

Primary Sponsor: Burgess, Tim

Councilmembers:

Staff Analyst: Tony Kilduff

Council Bill or Resolution: CB XXXXXX

Date		Total	SB	TB	LG	BH	LH	RJ	DJ	MO	KS
	Yes										
	No										
	Abstain										
	Absent										

Summary of Dollar Effect

See the following pages for detailed technical information

	<i>2017 Increase (Decrease)</i>	<i>2018 Increase (Decrease)</i>
General Subfund		
<i>General Subfund Revenues</i>	\$0	\$0
<i>General Subfund Expenditures</i>	(\$429,752)	(\$436,993)
Net Balance Effect	\$429,752	\$436,993
Other Funds		
<i>Finance and Administrative Services Fund (50300)</i>		
<i>Revenues</i>	\$0	\$0
<i>Expenditures</i>	\$0	\$0
Net Balance Effect	\$0	\$0
Total Budget Balance Effect	\$429,752	\$436,993

Budget Action description:

This green sheet would amend and pass as amended C.B. XXXXXX increasing the marijuana business license fee charged by the Department of Finance and Administrative Services (FAS) in 2017 as follows:

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|---|---|
| 1. Marijuana Business License - Located in Seattle | ((\$1,000)) <u>\$3,410</u> |
| 2. Marijuana Business License - Located outside Seattle | ((\$500)) <u>\$1,705</u> |
| 3. Marijuana Business License - Reinspection, Reinstatement,
or Relocation of Physical Address Fee | \$250 |

The current fees are not sufficient to cover FAS' costs to regulate the industry, requiring GSF support to FAS of approximately \$167,000 in 2016. The new fees proposed by the Mayor (\$1,500 and \$750) would still require GSF support to FAS to regulate the industry. The fees proposed here would fully cover the direct and indirect cost of regulation and free up \$429,752 in GSF support to FAS in 2017 and \$436,993 in 2018.

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Budget Action Transactions

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#	Transaction Description	Position Title	Number of Positions	FTE	Dept	BCL or Revenue Source	Summit Code	Fund	Year	Revenue Amount	Expenditure Amount
1	Increase marijuana license fee revenue to FAS				FAS	Business Licensing	587001	50300	2017	\$429,752	
2	Reduce GSF support to FAS for marijuana industry regulation				FG	Finance and Administrative Services Fund	QA001004	00100	2017		(\$429,752)
3	Reduce GSF revenue in FAS for marijuana industry regulation				FAS	Other Miscellaneous Revenues	469990	50300	2017	(\$429,752)	
4	Increase marijuana license fee revenue to FAS436993				FAS	Business Licensing	587001	50300	2018	\$436,993	
5	Reduce GSF revenue in FAS for marijuana industry regulation				FG	Finance and Administrative Services Fund	QA001004	00100	2018		(\$436,993)
6	Reduce GSF revenue in FAS for marijuana industry regulation				FAS	Other Miscellaneous Revenues	469990	50300	2018	(\$436,993)	