

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: April 18, 2018

Original Fiscal Note

Substitute Fiscal Note

SUBJECT: A resolution providing for an advisory referendum on the November 6, 2018, election ballot to measure public opinion on allowing adults 21 years of age and older to engage in the personal use of marijuana, regulating commercial marijuana-related activities, and imposing a tax on the sale of marijuana

FISCAL EFFECT:

- | | |
|---|---|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| <input type="checkbox"/> Existing Staff Time Required | <input type="checkbox"/> Decrease Capital Expenditures |
| <input checked="" type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| <input checked="" type="checkbox"/> Not Absorbed Within Agency's Budget | |
| <input type="checkbox"/> Decrease Operating Expenditures | <input checked="" type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	\$15,000	\$0
	Revenue	\$0	\$0
	Net Cost	\$15,000	\$0
Capital Improvement Budget	Expenditure	\$0	\$0
	Revenue	\$0	\$0
	Net Cost	\$0	\$0

DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

- A. Approval of this resolution calls for an advisory referendum to be held on November 6, 2018, asking voters: Do you favor allowing adults 21 years of age and older to engage in the personal use of marijuana, regulating commercial marijuana-related activities, and imposing a tax on the sale of marijuana?
- B. Based on information provided and confirmed by Election Commission staff, this fiscal note provides an estimated cost of approximately \$15,000 for the cost of adding an advisory referendum question to the November 6, 2018, County-wide ballot. This estimated cost range is based on the cost of printing ballots, programming election machines and the required newspaper advertising related to the referendum question. Milwaukee County, according to Election Commission staff, is responsible for all costs related to federal, state and county contests. A precise cost calculation is not possible since many factors influence the actual cost of each contest (i.e. election or referendum question) including ballot printing (actual size of ballot, number of columns and whether it is one or two-sided), election machine programming and advertising expenses.
- C. The budgetary impact is expected to increase the expenditures of the Election Commission by approximately \$15,000 due to the addition of the advisory referendum. Election Commission staff, historically, have sought fund transfers from the Appropriation for Contingencies for any costs that could not be absorbed within their Adopted Budget. (The County Clerk now oversees the Election Commission). This resolution allocates \$15,000 from Org. Unit 1945 –

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.

Appropriation for Contingencies and places the funds in an Allocated Contingency account. These funds would be available after the election is held if the Election Commission staff require additional funds to pay election expenses. The release of the funds would be subject to policymaker approval.

- D. The assumptions used for this fiscal note were based on a cost estimate provided by the Election Commission and reviewed by the County Clerk. Please note that the Election Commission, by law, must receive the notice of a referendum for the November 6, 2018 general election seventy (70) days in advance, or August 28, 2018.

Department/Prepared By Steve Cady, Research and Policy Director, Office of the Comptroller

Authorized Signature *Stephen J. Cady*

Did DAS-Fiscal Staff Review? Yes No

Did CDBP Review?² Yes No Not Required