

ALASKA LEGISLATURE COMMITTEE FILES 1983-1984 86/2

2234 HHESS HB 128 - HB 160 2234

grams for prevention and treatment. Their paper is the first to address adolescent abuse from the standpoint of a combination of factors, involving parents, children and social stresses, and is intended to guide future work on the subject.

Teen-Age Prostitutes

Adolescent prostitution has been receiving a great deal of attention in Minnesota, and particularly in the Twin Cities area of Minneapolis-St. Paul. The area is notorious as the home of many young girls who are now working as prostitutes in New York City, Chicago, and California; so notorious that one section of New York with numerous adolescent prostitutes has become known as the "Minnesota Strip."

Based on 3 years of direct fieldwork, Michael Baizerman, Jacquelyn Thompson, Kimaka Stafford-White, and "An Old, Young Friend"—an 18-year-old woman with five years' experience in prostitution—have written of this problem in *Children Today*.

In the Twin Cities area, girls of all races are involved in prostitution; their ages range from 13 to 18. Some have a male pimp, others do not, and many make a transition from working independently to working for a pimp. Generally speaking, most of the young prostitutes work "the street"—both actual city blocks and other specific locations, such as shopping malls and the areas around some bars and after-hours clubs. Most sex acts take place in cars, although some girls use apartments and, more rarely, motel and hotel rooms.

Many of the girls practice birth control; pills, followed by the IUD, are the two most popular forms. Since girls may begin using the pill at an early age, they may be at risk of resultant medical complications. Use of the IUD could lead, through violence during the sex act, to such serious problems as perforation of the cervix. Condoms seem to be used less as a pregnancy prophylactic than as a preventive for venereal disease.

Many girls do not know much about venereal disease, and what information they do have seems to be obtained from "the street." Some learn from experience that one consequence might be scar tissue on the fallopian tubes, which could prevent pregnancy. Generally, pimps take care of the medical and health expenses of their girls.

Many pimps working in neighborhoods and the metropolitan area do not use hard drugs and do not allow their girls to use them—hard drug use raises the risk of arrest and the cost of the pimp's operation. Hard drugs also compete with a pimp for the girl's dependency. This is not to say that many girls do not have a history of drug use or that some girls may not be intentionally intro-

duced to drugs as a way to secure and control them. However, this latter pattern is more characteristic of interstate than of local patterns.

All of the pimps are male and most of the younger ones are black. Those who live in the neighborhood where the girls work—"popcorn" or "bubblegum" pimps, or "players"—are about 17, 18 and 19 years old, while those who come from outside the state are usually older, having moved up the "career ladder" from neighborhood pimp to small businessman. Black pimps tend to work on the street while white pimps, usually older, are more likely to be involved with more formally organized action such as call girls, saunas, and massage parlors.

In general, the younger pimps come from disadvantaged neighborhoods; they have relatively poor formal education, lack basic skills, and have few opportunities to obtain legitimate work. As a result, they are likely to be frustrated, angry, resentful, and unsure of themselves. They tend to use force to control their girls and may attempt to hurt a girl or someone who tries to interfere with their operation. It is likely, however, that many of these young men will move out of pimping if other possibilities are found. Those who stay in it do so partly because there are few work opportunities. Most do not stay out of any great pathological or perverse need.

Older and more sophisticated pimps rarely use physical force on their women. Their method of control is psychological and emotional, with the goal of having the girls become totally dependent upon them.

The local buyers or Johns seem to be white men over 25 years of age, both married and single. We know that many have families of their own—and that some men ask for girls of their daughters' age.

Although a wide variety of sex acts are performed, most men seem to want oral sex or intercourse. The price varies according to the act and the time involved. For ordinary oral sex or intercourse, it is about \$25. Other factors—whether the girl works for a pimp, the location of the pick-up, the nature of the sex act, and whether or not there is a big convention in town—also influence the cost.

Most of the action seems to take place from lunchtime to late afternoon, and then later in the evening. These afternoon times fit well within typical male working schedules and allow married men the opportunity to be home in the evening and still engage in—and protect—their activities.

Business hours are also determined by the girls' schedules. Since they may also be students in junior and senior high school, the girls may choose to work only after school. Afternoon hours are convenient for girls who live at home and work at prostitution part time, without parental knowledge.

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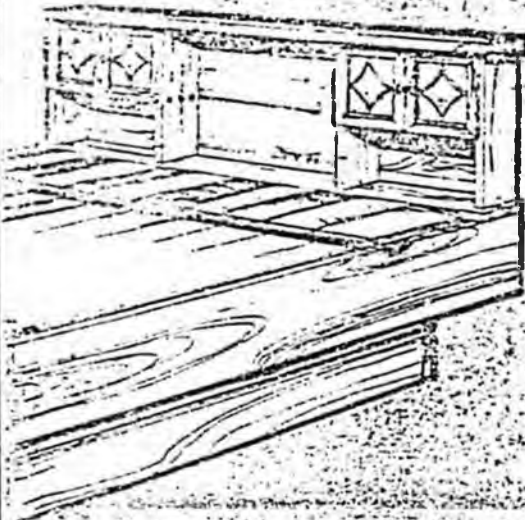
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sentence of 3 years

By TERRY CARR
Daily News reporter

A 25-year-old father of five was sentenced to three years in prison Wednesday for running a prostitution ring of teen-age girls.

Willie B. Bell, who has been in jail since he was arrested on pimping charges in May, is the first person to be convicted and sentenced to prison under a 1930 law outlawing the promotion of prostitution among juveniles, prosecutors said.

Superior Court Judge Milton Souter said he added one year to Bell's sentence because of testimony Wednesday by another jail inmate, William Smith. Smith told the court Bell Wednesday morning threatened to harm him and his daughter unless Smith gave testimony favorable to Bell.

Bell denied making the threat.

Souter ordered Bell to prison despite pleas from defense attorney Peter Mysing, who called his client's offenses "a detour in his life" and said Bell was an "adoring father."

If Souter gave him probation, Bell told the judge, "you'll never see me in another courtroom for anything."

Souter called the crimes for which Bell was convicted in October a "dirty business."

"This sentence has to serve as a deterrent" to Bell and others engaged in prostitution, he said.

Souter also said he was influenced heavily by trial testimony and evidence that the Bell used violence and the threat of violence to control the girls in his prostitution ring.

Teenagers who worked for Bell testified during the trial that Bell often beat them and threatened to kill them.

Souter said "the great majority of women would not engage in prostitution" unless threatened with violence, lured with the promise of narcotics, or by other means of persuasion.

"Here, the powerful persuasion was threats of violence and, on at least one occasion, the use of violence," he said.

Bell, who sat silently throughout most of Wednesday's sentencing, spoke only to plead for probation, and to contest the testimony of Smith, the inmate who claimed Bell had threatened him.

"I've been in jail," Bell said. "I learned my lesson in jail. I don't need to spend any more time in jail."

Smith, who was arrested here in December on an Anchorage theft charge, said he became friendly with Bell in jail. "You better get me out of this," Smith quoted Bell as telling him.

Smith, who at first refused to testify but relented under Souter's order, said Bell also threatened Smith's 14-year-old daughter unless Smith testified favorably.

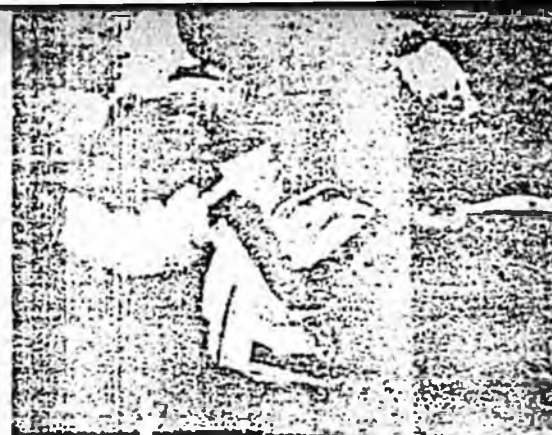
Bell denied he threatened Smith or his daughter.

"All I told him was to come to court and testify and tell the truth," Bell said.

Souter, however, said he believed Smith and that he added a year to the sentence because of the threats.

"I think Mr. Bell needs to sit in jail and think about that. We're not going to tolerate that sort of behavior," Souter said.

Souter gave Bell credit for the 240 days he has already spent in jail. Bell will be eligible for parole after serving one-third of his sentence.



The joy of snow

With fresh white stuff falling in their faces, students at Lake Otis Elementary School rejoiced Wednesday in the first major snowfall of the winter. Writer: Anchor/er Serv

3 consulting firms

Plans to build a huge, centralized state office building in Anchorage will move a step closer to fruition next week with the selection of a local consultant to assist in site selection and design.

But at least two Anchorage lawmakers say they have major reservations about the structure.

Rep. Russ Meekins, recalling the construction of the new Federal Building here a few years ago, voiced fears that the addition of the massive complex to house state offices could depress the private market for office space here. Sen. Ed Deniwurth said he is not convinced the project is needed.

Guided by Department of Administration Commissioner Bill Hudson, the office project is moving rapidly toward actual construction, Hudson says he hopes for an August groundbreaking.

Tuesday, the Anchorage Assembly denied the concept of locating a central state office building downtown. Hudson

said the endorsement is a "ble signal" that we're on

if the building is not world like it to better meetings of the full state

session will meet in day with officials in agencies and the most

consultant from the Maritime and Arctic Association, and OOO- and Planners. All are An

"We will hear from each of the three the week, and the no

promise final review session," Hudson said.

"I currently review would ask a private office and build the office guaranteed the state was

that scenario. Hudson popular with lawmakers. "So far, every body



Neither rain, nor sleet, nor snow

Despite the snow, mailman Roberto Escobar was on the job Wednesday, delivering mail delivery on F Street.

Greene, who cooperated with the government during the investigation, will testify at the trial.

Reed, Burk, McDaniel and Smith have pleaded not guilty to all charges against them.

The first indictment was dismissed, without government objection, after defense attor-

entrainment in the government's charges.

Federal agents used Greene and Billy Ray Helverton, a government informant who was not charged, to surreptitiously tape record conversations with defendants in the arson investigation.

The recordings are expected to play a substantial role in the government's case.

Footprints in the snow

A snow covered bench in the downtown park strip went untouched today by passersby.

Anchorage Daily News/Mark Olson

Willie Bell convicted in teen-ager prostitute case

By JULIE ANNE GOLD
Daily News reporter

Willie B. Bell, accused as a Fourth Avenue pimp, was convicted of inducing a 14-year-old girl into a life of prostitution by a Superior Court jury Thursday.

The 29-year-old Bell faces up to 10 years for the first-degree felony charge.

In a complex reading of six separate verdicts, the jury found Bell innocent of forcing two other girls, ages 15 and 16, into prostitution, but guilty of promoting them to become prostitutes.

These lesser, third-degree charges carry possible prison sentences of up to a year and 90 days.

Delivering its sixth verdict in the

case, the jury found Bell guilty of managing and supervising a prostitution enterprise, other than in a place of prostitution. The felony offense holds a maximum sentence of five years in prison.

Bell, nervously looking around the nearly empty courtroom Thursday, buried his heads in his hands after the clerk read the first "guilty" verdict.

"We plan to appeal," said Peter Mysing, Bell's attorney.

"All three ladies' testimony was damaging against Bell," Mysing said. "The issue was who was the jury going to believe."

Even though Bell admitted taking money that he knew came from prostitution from the 16-year-old, according to Mysing, Bell never "caused" or

"induced" the 14-year-old to become a prostitute.

However, the jury thought otherwise.

"There was definite evidence to support she was forced into prostitution," one juror said Thursday. "The photos showed she was beaten and bruised."

Prosecutor Martha Beckwith said the 14-year-old's testimony and a tape-recorded confrontation between Bell and the three girls probably were the most damaging evidence against Bell.

"He beat me real bad," a voice — identified by the state as belonging to the 14-year-old — said on the tape.

A series of color snapshots, passed from juror to juror, depicted the teen-ager with cuts and bruises on her face and arms.

However, the testimony of the older girls apparently did not convince the jury that Bell "forced" or "attempted to force" them into prostitution.

One of the girls, who admitted to being a prostitute before she met Bell, told the jury she was his lover for several months before his arrest.

"In her case, it was hard to tell what was a lovers' fight from a business fight," another juror said.

Another juror agreed, saying "there was just not enough evidence for a first degree conviction" in connection with the two other girls.

But the jurors, gathered around Judge Milton Souter's third-floor jury room for the last time, all agreed there was plenty of evidence to convict Bell of the state's last charge —

pimping for the three girls.

"The facts showed he drove them around" Fourth Avenue, one juror said, and "then waited and picked them up."

Mysing called this conviction a "surplus charge." The only way his client could be convicted of inducing the 14-year-old to become a prostitute, Mysing said Thursday, would be by pimping for her.

If Bell is sentenced to both charges one state will be guilty of double jeopardy, Mysing claimed.

Beckwith disagreed, saying she "was pleased" with the verdicts.

It was the first time "in at least four or five years" the state has successfully prosecuted someone for street pimping, she said.

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Items — direct from Liverpool — go on Hohman's



Forums on aging set

Community forums on aging — meetings at which the elderly look at issues affecting their lives — are scheduled here through December.

Concerns expressed at the forums will be developed at the Alaska State Conference on the

munity School, 3933 Patterson, 7 p.m. to 9 p.m.

• Nov. 1, Tudor Community School at St. Mary's Church, 4502 Cassin Drive, 1 p.m. to 4 p.m.

• Nov. 17, Sand Lake Com-

Jury deliberates pimp case

By JULIE ANNE GOLD
Daily News reporter

The fate of Willie B. Bell, an Anchorage man accused of setting up three teenage girls in lives of prostitution, was being contemplated Wednesday night by a jury of six men and six women.

Closing arguments brought an end Wednesday to the eight-day trial in which three former teen-age prostitutes explained the ins and outs of working the streets of Anchorage to the jury.

Bell was arrested in May for allegedly forcing two of the girls, and attempting to induce the third, to engage in prostitution. He was also indicted on a fourth charge of illegally running a prostitution business.

If convicted, Bell, who has pleaded innocent to all the charges, could face up to 20 years in jail, according to the district attorney's office.

The case is the first time in many years the state has brought an alleged pimp to trial on felony charges, the district attorney's office said.

Prosecutor Martha Beckwith relied heavily Wednesday on the testimony of the three teenagers to prove the state's case against Bell.

Under oath the girls, ages 15, 16 and 17, pointed to the defendant — usually slouched in his chair — as their former pimp who often beat them and threaten to kill them for not making more money from "johns" or "dates."

Bell's lawyer, Peter Mysing, claimed Bell never agreed to be their pimp and that



they were free to leave him any time, but decided live with him while they — on their own — engaged in prostitution.

Mysing acknowledged Bell on occasion drove the girls downtown, accepted money from them and shared them during "domestic" quarrels. However, he denied his client ever "induced or forced" them to be prostitutes.

In order to convict Bell on first-degree pimping charges, the state must prove he intended to cause or force the girls to engage in prostitution.

In an effort to discredit the girls'

testimony, Mysing recounted Bell's testimony of driving one of the girls to the Big Timbers motel for a "date."

The room cost \$37 and the girl received \$20, Mysing said. Bell would have to be an "extremely bad pimp" if he had set up the meeting.

Beckwith defended the testimony of the girls. "She basically went through the wringer to come in and testify candidly," Beckwith said, defending the veracity of one of the girl's statements.

That girl admitted under cross-examination to being a prostitute and living with several men for a few months at a time before agreeing to live and work for Bell in January.

"Ladies and gentlemen, ask yourselves why Mr. Bell was involved with these young girls, these juveniles," Beckwith said. "Why did he give them rides" downtown, wait for them and pick them up.

"If it were not like men like Mr. Bell, perhaps juveniles would not run to the street. Bell performed a function on that street," Beckwith claimed.

If the jury reaches a verdict Wednesday, one court source said, the results would be sealed and not made public until this morning.

Linton

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Stevens tells oil leaders state has good potential

By NANCY SHUTE
States News Service

WASHINGTON, D.C. — Sen. Ted Stevens, R-Alaska, told a meeting of oil and gas industry representatives exactly what they wanted to hear this week, promising Alaska energy reserves will rescue the United States from dependence on foreign oil.

Stevens, addressing the Garmen's Roundtable here Tuesday, made the occasion a dress rehearsal for his upcoming stump of the West in support of Republican presidential candidate Ronald Reagan's energy policy.

"Gov. Reagan was absolutely right when he said that Alaska has the oil potential of Saudi Arabia," Stevens said. "But I think he was too conservative. Alaska has the potential of becoming several Saudi Arabias."

Stevens also called for a renewed effort to pass an Alaska lands bill when Congress returns for a post-election lame duck session Nov. 12, advocating defeat of the bill proposed by Rep. Morris Udall, D-Ariz., a week ago in the final moments of the session.

"I am going to ask members to demand that the Udall bill be changed — that leasing begin on

the Arctic Wildlife Range in 1981. That should be the goal of the lame duck session."

Stevens lambasted President Jimmy Carter's energy policy, terming it the "moral equivalent of surrender." He accused Carter of having gone one step further than previous presidents in locking up Alaskan oil leases, particularly in the Arctic Wildlife Range.

"There hasn't been a single onshore lease in Alaska's federal lands since 1965," the senator said. "Carter went one step further. He used the Antiquities Act to withdraw 100 million acres, and has fought to prevent any leasing or even seismic testing of the Arctic Wildlife Range."

The Department of Energy, created by Carter, has "virtually bogged down" domestic oil and gas production, Stevens claimed.

Not an original Reagan supporter, Stevens said his only quarrel with the candidate's energy policy was over synthetic fuels.

"I disagree with Reagan on the Synfuels Corporation," he said. "I support it so long as it is mandated to depend on private enterprise to develop new technology." Reagan opposes the federally-funded development of synthetic fuels production.

State pamphlets mailed to voters

The Associated Press

JUNEAU — More than 250,000 state election pamphlets have been mailed to registered voters in Alaska, Lt. Gov. Terry Miller said Wednesday.

The pamphlets contain biographical information and state-

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Anchorage Times 2/6/83

Prostitutes' survival — old but tricky business

"Oh, the Sisters of Mercy, they are not departed or gone."

— Leonard Cohen

by Krys Holmes
and Ellis E. Conklin
Times Writers

Under the neon lights of the Scandinavian Club, Denise, a 22-year-old hooker, stood alone Monday night.

After a deep yawn, she lit up a cigarette, kicked the slush from her maroon leather boots and ambled down The Avenue.

Few people walked by her. And those who did didn't seem to notice. Denise is a Fourth Avenue fixture like the drunks and the hot chill at the Panhandle Cafe.

At \$50 a crack and several "tricks" a

night, Denise can make as much as \$600 to \$1,000 a week. All the money, however, goes to her pimp. And, as one police officer put it: "They all say they work alone, but there isn't one girl out there who doesn't have a pimp."

The pimp takes care of her room and board, clothing, and the modest accessories necessary to perform nightly in this ancient profession.

"Things are quiet now," she said. "They (police) made the big bust and there ain't nothing left for 'em, 'cept for me and couple of other girls."

"I think they want to get the streets clean for Fur Rondy," Denise said bitterly.

She quickened her pace, turned the

corner at Fourth and Barrow, and decided she "don't want to talk no more."

There aren't many prostitutes talking right now. After a crackdown last weekend, most of them are scared. Others are in hiding "until the heat cools down." And many of them are still in jail dressed in blue jump suits, waiting for their pimp to post bail.

In the past 72 hours, Anchorage police, dressed in street clothes, have made 54 arrests for loitering and solicitation. Some of the women were collared as many as three times during the weekend. Chief Brian Porter said he can't remember seeing that much jail activity in several years here.

During the weekend, Porter said, the

streets were thick with prostitutes, and competition among the women was fierce. Some actually tried to stop traffic or climb into cars, Porter said. A police officer walking down the street discovered a prostitute with her "trick" having sex in the man's car. She got her \$50 for the deal — and was arrested on the spot. One local woman said her husband was propositioned as they walked to a restaurant in the Sunshine Mall.

There were no customers arrested, and not a single pimp.

Police say many of the women now working the streets came from Canada, Hawaii and the West Coast. Some came for more money; some because Anchorage has long

See Trick, page A-4

Trick

(Continued from page A-1)

been a part of the prostitutes' migration pattern between Honolulu, Seattle, San Francisco and Los Angeles.

And for others, it is the promise of making a bundle during the Fur Rendezvous celebration that begins next weekend, and the military's Brim Frost maneuvers, that bring some 60,000 potential customers to Alaska to play war games in the Interior and see the sights of Anchorage afterward.

Tim Casper, a veteran on the vice squad, said the number of prostitutes on The Avenue rises and falls in a pattern. "It's something you can really count on," he said. "In January, they're all over, and they'll be that way until we put the pressure on them."

The "pressure" starts when the public outcry rises above a tolerant grumble. Until then, police are encouraged to spend the taxpayers' money going after the less visible crimes: robberies, rapes and burglaries.

But prostitution takes its toll on Anchorage's streets. Customers are rolled. Men are robbed by the women they willingly pay for, as the girls try to make more money for their "men."

Of the 23 murders that occurred in Anchorage in 1982, three of them were directly related to prostitution, police say. In two of the homicides, it was the hooker who killed. In the third, a pimp shot a girl's customer.

Casper said 30 to 40 percent of all the robberies and at least 60 percent of the pickpocketing in Anchorage is related to prostitution and street people on Fourth Avenue.

"We could put a lot of man hours into trying to build a felony theft case against one guy, and get very poor results. Or we could use the same number of officers and drag a few of the prostitutes off the streets and clean it up for a while," he said.

"My theory is to arrest them on loitering charges, and enforce their (probation) restrictions. Let them know Anchorage isn't going to tolerate it. Maybe then they'll leave, and with them the pimps will go, and the crime will go, too."

Most of the women are charged with loitering for purposes of prostitution, a misdemeanor. Because state laws about prostitution are ambiguous, and because a woman will almost always say she works alone, men are seldom arrested, and rarely prosecuted.

In this business, men may pay the money, but the women pay the price.

Joanne Baker, 26, is six months pregnant. She was arrested for soliciting Sunday night. It was her second arrest for prostitution since

coming to Anchorage from Miami last year.

There were no extra beds at the Sixth Avenue Jail Sunday night; she slept on the floor.

Looking haggard as she gazed through the plexiglass window in the visitor's room, Joanne scratched her stringy blonde hair. Her blue eyes were watery and her arms were speckled with small red blotches. She didn't want to talk, especially to a reporter.

She said she turned to selling her body after she couldn't find work as a bar maid. Asked about the weekend sweep, Joanne said, "Police, they told us it was because of Fur Rondy. That's why. That's why they're hitting on us."

And when she gets out on the streets again? "Well, we'll just move to a different area. There's always a different area to go to," she replied.

However, Joanne isn't sure how she is going to make bail. She appeared panicky. She says she has no pimp to fork out the \$300. "I don't know how I'm going to get it. I don't know. I don't know. Maybe, I'll call a friend."

Joanne and 20 other women were arraigned Monday before District Court Judge John D. Mason. They sat in the courtroom chained together.

Most of them were given bail and a court date, with the provision that they no longer sell their wares in the downtown area between Third and Sixth, from D Street to Barrow.

But most of them will. And many will go to jail. For the second, third, even seventh and eighth times.

Scott Sidell, a municipal prosecutor, said he has seen the same faces and names over and over again. Their names and ages are usually phony. But those arrested are all too often teen-agers posing as adults. Girls, posing as women, selling off their childhood bit by bit in exchange for an allowance, or a home, for a man who says he loves them.

It's shortly before midnight and Veronica stood in the doorway of an adult book store. She pulled her rabbit fur coat tighter around her. Her eyes searched for a possible customer. But no one was around.

During a brief conversation, Veronica said she's not worried about the police clampdown on her livelihood. "We'll be trickling back out again. The cops do this a couple of times a year. No big deal."

Standing alone again later, she spotted a man wearing an Army fatigue jacket, walking slowly near the Elbow Room. She waited until he passed right in front of her before she said, "Hey, you want to party?"

Her breath formed a tiny white cloud as she spoke.

They walked quickly together, neither of them speaking.

Alaska State Legislature

Representative John Lindauer
District 10-A
3933 Geneva Place
Anchorage, AK 99508



While in Juneau
Pouch V
Juneau, AK 99811
465-3709

House of Representatives

TO: House Health, Education & Social Services Committee
FROM: Representative John Lindauer *John Lindauer*
RE: HB 128 "An Act raising the penalties for promoting child prostitution."

Child prostitution is a growing problem within the United States as well as within Alaska. Those who promote young people in prostitution commit a heinous crime and need to be punished to the fullest extent possible.

This bill raises the penalty for those who promote individuals under 16 years of age. The minimum penalty would change from four to seven years with the maximum sentence going from ten to twenty years.

Attached are a group of articles detailing areas of concern within the national and local press.

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that law
1979.

ADOLESCENT PROSTITUTION

by Michael Baizerman, Jacquelyn Thompson, Kimaka Stafford-White and "An Old, Young Friend"

Adolescent prostitution is a topic of public and professional concern in many areas throughout the nation. It has been receiving a great deal of attention in Minnesota, and particularly in the Twin Cities area of Minneapolis-St. Paul. We are aware of our area's notoriety as the home of many young girls who are now working as prostitutes in New York City, Chicago and California. We could not help but be aware of the "Minnesota Strip" in New York City after the news coverage given to efforts of two local policemen to bring home some of the young people involved in prostitution there.

We are concerned, too, that sophisticated pimps are coming into Minnesota from other cities. Compared to many states, Minnesota is rich and until recently it has been an untapped resource as far as organized crime is concerned.

In response, public hearings have been held at city and state levels, and groups have been formed by government agencies and youth workers to study the situation and recommend actions. Programs have begun and legislation has been introduced at the state level.¹ Training sessions² have been held for youth workers at the University of Minnesota and elsewhere, and public meetings have been called to present issues to parents and young people.

Michael Baizerman, Ph.D., is Associate Professor, Center for Youth Development and Research, and Associate Professor, Maternal and Child Health, University of Minnesota, Minneapolis. Jacquelyn Thompson and Kimaka Stafford-White are youth counselors with a Twin Cities youth agency. "An Old, Young Friend" is an 18-year-old woman with five year's experience in fee-for-service sex in Minneapolis-St. Paul and other cities.

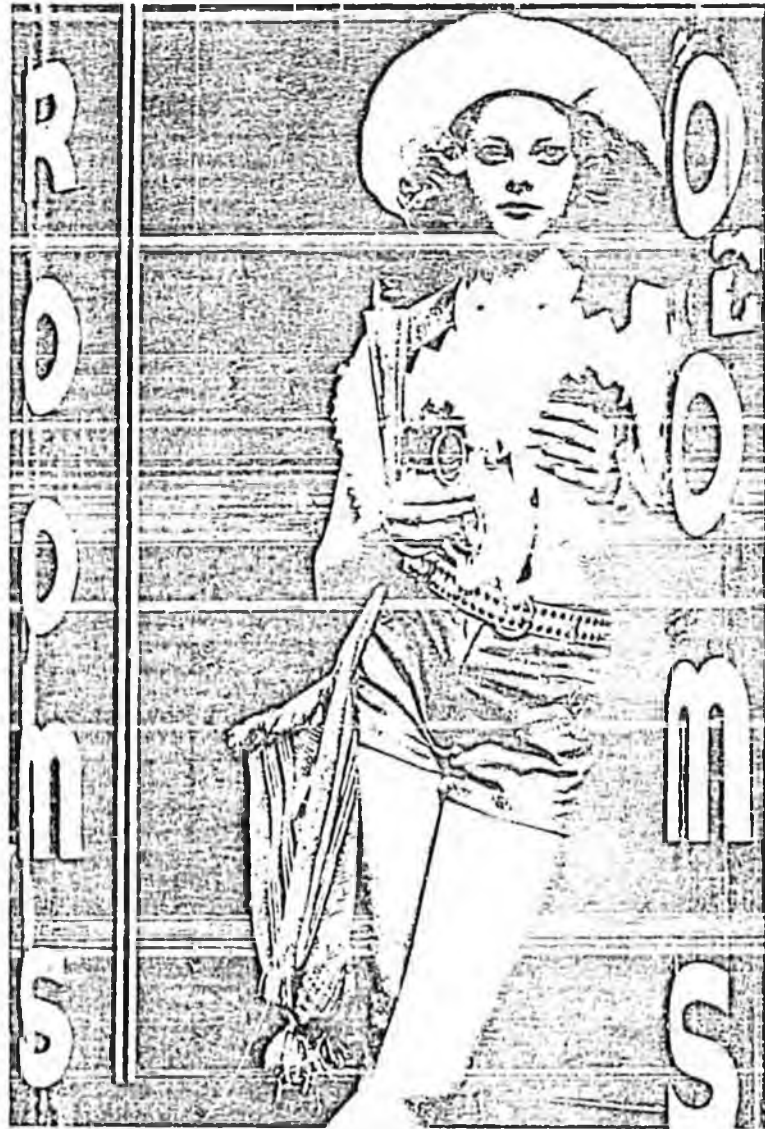


Photo: The Museum of Modern Art/Film Stills Archive
Jodie Foster as a runaway teenage prostitute in the recent film "Taxi Driver."

Taken together, these activities have contributed to the Twin Cities becoming a center of inquiry and action on adolescent female prostitution. (Although there is certainly male prostitution in the Twin Cities area, it is apparently not as prevalent as it is in some other cities and not yet of the same public concern.)

Over a 3-year period, two of us have done direct fieldwork—casefinding, counseling and referral—with more than 300 young prostitutes in the Twin Cities area, including one of the co-authors of this article, "An Old, Young Friend." Most of these girls were native-born, from the Twin Cities or rural areas in the state, and about 70 percent had run away at some time. And, as part of a field study of the Center for Youth Development and Research at the University of Minnesota, three of us have interviewed the youth workers and some of these girls and their pimps. From them we have gathered observations and gained some understanding of the current phenomena of adolescent fee-for-service sex. This article is an introduction to our findings and observations.

A Brief History

Prostitution has been a fact of life in most of recorded history and children and youth have been sellers of sex for almost as long. Only since the early 1900s has youth been considered a separate stage of life; thus we can assume that many young people we now term youths were previously considered to be adults, whether they were involved in prostitution or in other, more conventional activities.

Prostitution by the young has been a form of slavery and of child labor. Young people worked as prostitutes to earn money for their families. Some of this activity was regulated by law—in England, for example, legislation set the minimum age for prostitution at 12 until 1874, at 13 in 1875 and at 16 in 1885.

Is the incidence of adolescent prostitution higher now than in the recent past? We don't know for sure, but we think that it is. We are also hearing more about it now. Some girls may become aware of prostitution as an "easy" way of earning money and decide to try it. Increased public awareness of adolescent fee-for-service sex often results in increased public pressure for police action, which in turn usually results in more arrests and prosecutions and, usually, "convictions." (These young people would be seen in juvenile court where there are hearings and dispositions, not convictions.)

In addition, since young prostitutes work "the street" as opposed to working out of bars, hotels or parlors, they are more visible because they tend to congregate on the same streets.

Adolescent prostitution has also been linked to other contemporary youth problems: running away, physical and sexual abuse, incest and child pornography. Federal legislation passed last year, P.L. 95-225, is designed to protect children against sexual exploitation. It also extends the provisions of the Mann Act to apply to boys.

Prostitution in the Twin Cities

In the Twin Cities area, girls of all races are involved in prostitution; their ages range from 13 to 18. Some have a male pimp, others do not, and many make a transition from working independently to working for a pimp. As we have noted, most of the young prostitutes work "the street"—both actual city blocks and other specific locations, such as shopping malls and the areas around some bars and after-hours clubs. Most sex acts take place in cars, although some girls use apartments and, more rarely, motel and hotel rooms.

Many of the girls practice birth control; pills, followed by the IUD, are the two most popular forms. Since girls may begin using the pill at an early age, they may be at risk of resultant medical complications. Use of the IUD could lead, through violence during the sex act, to such serious problems as perforation of the cervix. Condoms seem to be used less as a pregnancy prophylactic than as a preventive for venereal disease.

Many girls do not know much about venereal disease, and what information they do have seems to be obtained from "the street." Some learn from experience that one consequence might be scar tissue on the fallopian tubes, which could prevent pregnancy. Generally, pimps take care of the medical and health expenses of their girls.

Many pimps working in neighborhoods and the metropolitan area do not use hard drugs and do not allow their girls to use them—hard drug use raises the risk of arrest and the cost of the pimp's operation. Hard drugs also compete with a pimp for the girl's dependency. This is not to say that many girls do not have a history of drug use or that some girls may not be intentionally introduced to drugs as a way to secure and control them. However, from what we have observed, this latter pattern is more characteristic of interstate than of local patterns.

All of the pimps are male and most of

the younger ones are black. Those who live in the neighborhood where the girls work—"popcorn" or "bubblegum" pimps, or "players"—are about 17, 18 and 19 years old, while those who come from outside the state are usually older, having moved up the "career ladder" from neighborhood pimp to small businessman. Black pimps tend to work on the street while white pimps, usually older, are more likely to be involved with more formally organized action such as call girls, saunas and massage parlors.

In general, the younger pimps come from disadvantaged neighborhoods; they have relatively poor formal education, lack basic skills and have few opportunities to obtain legitimate work. As a result, they are likely to be frustrated, angry, resentful and unsure of themselves. They tend to use fear to control their girls and may attempt to hurt a girl or someone who tries to interfere with their operation. In our experience, however, many of these young men will move out of pimping if other possibilities are found. Those who stay in it do so partly because there are few work opportunities. We do not believe that most stay out of any great pathological or perverse need.

Older and more sophisticated pimps rarely use physical force on their women. Their method of control is psychological and emotional with the goal of having the girls become totally dependent upon them.

The local buyers or Johns seem to be white men over 25 years of age, both married and single. We know that many have families of their own—and that some men ask for girls of their daughter's age.

Although a wide variety of sex acts are performed, most men seem to want oral sex or intercourse. The price varies according to the act and the time involved. For ordinary oral sex or intercourse, it is about \$25. Other factors—whether the girl works for a pimp, the location of the pick-up, the nature of the sex act, and whether or not there is a big convention in town—also influence the cost.

Most of the action seems to take place from lunchtime to late afternoon, and then later in the evening. These afternoon times fit well within typical male working schedules and allow married men the opportunity to be home in the evening and still engage in—and protect—their activities.

Business hours are also determined by the girls' schedules. Since they may also be students in junior and senior high

school, the girls may choose to work only after school. Afternoon hours are convenient for girls who live at home and work at prostitution part time, without parental knowledge.

Becoming A Teenage Prostitute

One pathway to prostitution is recruitment by a pimp. Why are some girls vulnerable to a pimp's advances? We believe that the risk of a girl being open to recruitment by a pimp increases with the following factors:

She may have a poor self-image. She is unattractive, possibly overweight and a "loner." She lacks knowledge of normal teenage boy-girl relationships, and she desires acceptance and attention. Aware of this, a pimp will take her to nice restaurants, buy her gifts and make her feel desirable.

She may be a runaway. Girls leave home for a variety of reasons, many of which reflect "healthy" or normal feelings of adolescents—the desire for adventure, to explore something new, to meet new people. Others, however, run away from problems, including physical and sexual abuse, family violence, other intr. familial tensions and crises and problems with school, work or friends.

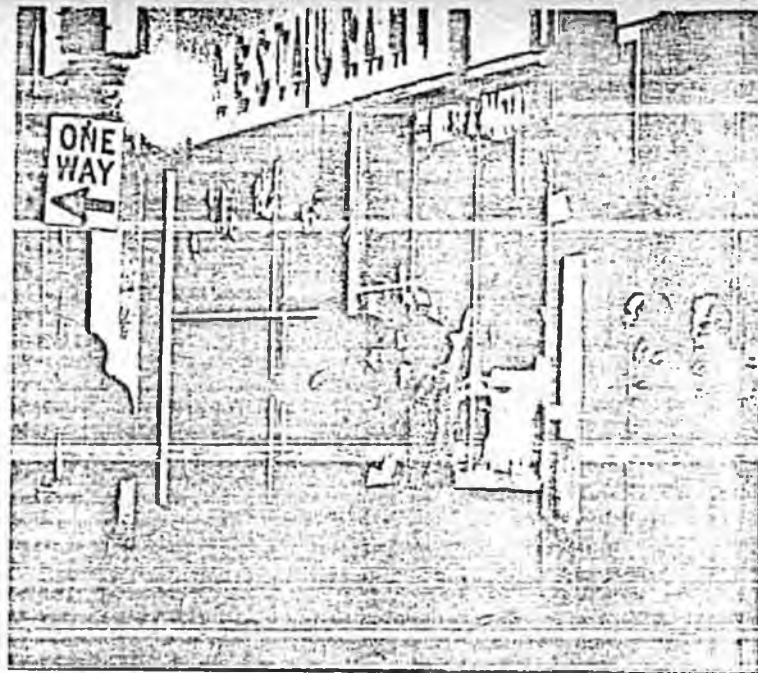
In our experience, it is the girl who runs away from abuse and/or family crises, who urgently wants and needs friendship, security and affection, who is most responsive to the solicitations of a pimp.

The need for money also makes a runaway—who is lonely, tired and hungry and has no place to go—vulnerable to such advances. Working for a pimp may seem to her to be a safe way to organize her work life—she sees him as offering protection against abuse and violence by the "trick," help with the police and the court and offering material and physical security.

To understand why and when these girls leave home is to understand a part of why they are vulnerable to a pimp. What is important here is not only the kind and severity of the incidents but the girl's experiences and understanding of these and her learned behaviors about being in her family. It is important to remember, however, that not all girls who run away from home respond to a pimp and go into prostitution.

Other girls who do not run away from home, but who experience similar personal and family problems, may also be vulnerable to a pimp's advances.

She may have friends in prostitution. She wants to be accepted by her peers, and she is impressed with the clothes, gifts and other material goods that a pimp provides.



She may be seeking . . . Some girls may be looking for a husband or a man to depend upon; others may seek material goods—expensive clothes, a big car, a luxurious apartment—which the pimp provides.

The girls described here usually do not know that they are being recruited for prostitution. In the first stage of the prostitution "career," a girl is picked out, or put at actual risk of "conversion," by others—other girls working for a pimp, a teenage boy who "fingers" or points her out to a pimp for money or status, or by others in the prostitution system. (In some cases, a girl may ask another prostitute to bring her into "the life.")

The pimp contacts the girl, begins dating her and, playing upon her normal interest in men and dating, works carefully to gain her love and trust—he gives her presents, takes her to parties and night spots and introduces her to sex with him. Because of her relative lack of normal girl-boy relationships—and, often, also because of less than ideal family relationships—she is responsive to him. Her needs are probably as impressed with the pimp as she is and most likely will encourage her to see him.

During this time the girl, if she is living at home, begins staying out late or even all night, and family arguments arise from her behavior. The pimp reassures her that he wants and needs to see her more often; he tells her that her par-

ents are interfering with their happiness, that they don't understand their love.

At this point the girl's ties to home are severely stretched or broken, and she may run away to live with her pimp. He introduces her to his friends and his other women and she finds a new "family" with them. When he asks her to perform sex with others for a fee, she agrees. She continues to show her love by working.

We believe that the "love approach" used by many pimps is a newer pattern in prostitution. Formerly, prostitution seems to have been more straightforward—the girl knew that she was a prostitute. Several of the girls we have talked with say that they are working to make a better life for themselves and their future husband.

From this stage, several "career lines" may be pursued. The girl may be promoted to another level in the prostitution system—moving from working on the street to working indoors, moving to another city or working for a mere professional or full-time pimp.

Another line may lead to a change in the girl's status. She becomes pregnant. She may want to become a mother, or she may use her pregnancy as a way of getting out of the life. She may also see pregnancy as a way to keep her man.

Finally, the girl, as "business material," may be "used up" due to hard work, illness, violence, lack of physical stamina and use of drugs.

Working Independently

What about the girl who begins selling sex on her own? How does she learn about this "career," and why does she choose to try prostitution?

In our experience, most of the independent teenage prostitutes are poor, black and live in communities where they see other teenagers and women living at home and "working" as prostitutes. A girl is aware early of this social role and at some time may choose to try prostitution—and then decide to either stop or continue. Of course, most girls do not take this first step.

Within this perspective, the answer to why she decides to try prostitution is unique to each girl and could involve all of the personal, familial and situational factors described for girls who are recruited by pimps. However, the questions one would ask of a girl who began prostitution independently about why she chose to continue or take on a "manager" would be quite different from those one would ask of girls who were recruited by pimps.

Some girls simply need or want the money and think that prostitution pro-

vides an "easy" way of earning it. Because of the publicity given to runaways who engage in prostitution, this is a well-known pathway.

A girl who begins prostitution by working independently may "progress" to working for a pimp. Or, she may just experiment with prostitution for a short time and decide to stop. This is not an unusual pattern.

"Love" and Prostitution

Many adolescent prostitutes and youth workers believe that the main difference between many young prostitutes now and in the recent past is that the girls who now go into prostitution and stay in it do so because they are in love with their pimp.

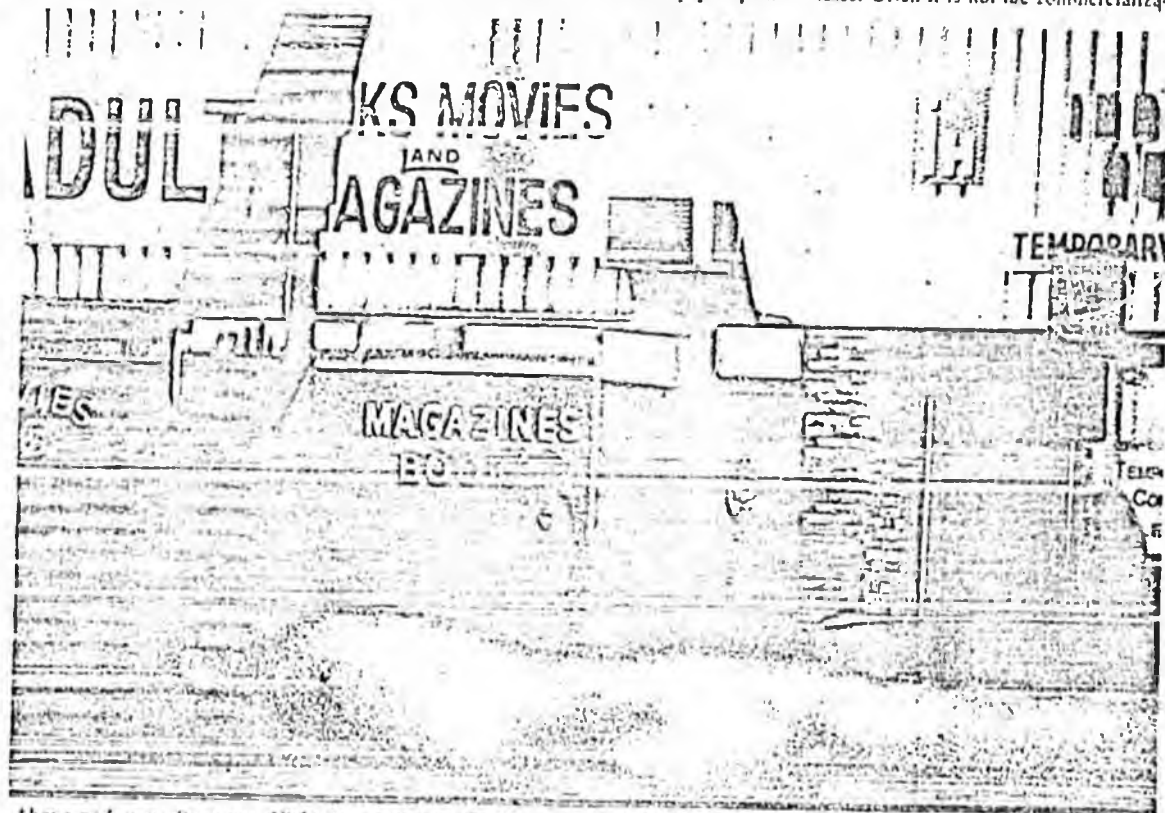
We think that there is more to it than this, and believe it is useful to distinguish between using the word "love" to describe a total feeling and experience and using it to answer such questions as "Why did you get into prostitution?" and "Why do you stay in it?"

"Love" may be a good answer to these questions: it has the capability of changing the moral and/or psychopath-

ological interpretation of a girl's status and behavior from something that is "bad" or "sick" to something only "sad" and "naïve." "Love" is a culturally acceptable reason or explanation for feelings and behavior with which one may be uncomfortable, or which one may dislike or think will be unacceptable to others.

When asked to interpret what love means to them, young prostitutes have used such phrases as "feeling secure," "feeling cared for" and "being paid attention to." What we understand from these responses is that for some girls "prostitution" is not a reality. For them, what is real is that they are the pimp's "lady" or "woman"; this is what love means. (Girls in a "stable" compete with their "sisters" to be the pimp's "main woman" and work together to produce a good living for the pimp—and, thus, for themselves.)

It is precisely this reality which confounds many who seek to understand adolescent prostitution and which makes it so difficult to accept love as the answer to why young girls become prostitutes. Often it is not the commercializa-



Above and opposite page: Nighttime action in the Minneapolis-St. Paul area. The photographs were made from a special type of film used in police surveillance.

tion of sex which is at the root of our discomfort, nor is it the "immorality" of prostitution. Rather, it is the fraudulent manipulation of affection—the "con"—which outrages us. This is "puppy love" twisted and mauled for money and social status.

What Can Be Done?

To begin with a practical point, it should be noted that the involvement of some girls and young male pimps in fee-for-service sex is likely to continue. Efforts should be directed at controlling and keeping the phenomenon relatively small.

We see no simple or single way to control, reduce and/or prevent the phenomenon. No one social institution is solely responsible for action: police and courts alone are no more likely to achieve relative control and prevention than are education, counseling or "treatment." In most jurisdictions, no juvenile prostitution statutes exist. One could use petitions citing incorrigibility to hold the girls (the status offense group, or PINS) in detention homes until their cases are presented in juvenile court. However, in Minnesota, most of the depositions will not be to secure facilities, and the girl is able to return to the pimp.

A law enforcement approach directed toward the pimp will probably be futile. In our experience, attacks on the pimp only serve to bring the girl who loves him closer to him, and they simply move away or "go underground."

We have very little hope of discouraging pimping at the neighborhood level. Too many boys and men see the very few pimp "jobs" as the only ones open to them.

To arrest the buyers is an impossible task, given the size of a typical police force and the mobility of the pimps and girls. Laws focused on the buyer could be effective in raising the risk of going to a young prostitute, but it is likely that differential and selective enforcement of such laws would be seen. It may be easier to turn these men toward older prostitutes—assuming that their interest is in sex with a prostitute, not in sex with a teenager.

Regular customers can usually be spotted, since the girls stay in a relatively well-defined area. Reporters and photographers in the area and the threat of publicity could discourage some action. Community action could also be effective in keeping some men out of the

area where young girls are working; however, this might be risky for those involved for some retaliation by pimps could be expected.

A better approach, we think, is to examine the pathways described earlier which lead to adolescent prostitution and to use the insights gained to design multiple ways of intervening. For example, in public meetings or in discussions in schools, community centers and social and youth agencies, adolescent girls could be informed about how pimps recruit, train and supervise girls. They should have opportunities to meet and learn from girls who have engaged in prostitution. Parents, too, should be involved in these meetings. Rather than using a "scare" approach, however, in our work we focus on the larger topics of dating and sexuality, making the point that dating is a normal adolescent activity, one which is fun and necessary to healthy development. Prostitution is presented as a distortion and manipulation of this normal activity. This approach could also be used in high risk neighborhoods and specifically with girls considered at high risk of becoming teenage prostitutes.

Also, the more parents and young people are aware of teenage prostitution and its patterns, the more likely it is that opposition to pimp activity in an area or school will develop.

Education, however, must be coupled with other approaches and actions. For girls who are already involved with a pimp, education is probably not effective. For very young prostitutes, those aged 12 to 15, a law enforcement approach may be the only viable way to achieve temporary separation of the girl from the pimp. However, we believe that many girls who are pulled away by police will try to return to their man.

For all young prostitutes, shelters must be available so that those who want to leave can do so at once, with the knowledge that they will be secure and protected from reprisals by pimps, parents or police. Shelters, or "safe houses," modeled after shelters for battered women, may be a home, a hotel room or part of a runaway house.² There girls have opportunities to talk about their experiences and to receive medical help and psychological and vocational counseling. Youth workers can spread the word "on the street" that options to leave do exist and will continue to be available. The girls must know that shelters can be used more than once, and that they will not have to pay—with money or with loss of self-respect—for going there. Getting this information to

the girls and creating and sustaining such a service, however, are not simple tasks. In addition, there must be adequate protection—for both the girls and the workers—from retaliation by the pimp.

In the Twin Cities area, we are also making extensive use of street workers from youth agencies, who are available in the areas where the girls work to talk over feelings or problems, mediate crises with their families and pimps, and help them get to a safe house or obtain other assistance.

If all of these actions were undertaken simultaneously in a large city, it is likely that adolescent prostitution still would not disappear. Fewer young recruits might enter the life, but adolescent prostitution would probably continue on a lower level of activity and visibility. A community might be able to push out street prostitution, but it is much more difficult and dangerous to attack citywide, statewide and interstate organizations. To control these, Federal law enforcement powers are needed.

However, we do believe that effective action, in the form of public education, the provision of safe houses and the use of street workers, can be taken to reduce the number of young prostitutes. Clearly, there is no easy solution to adolescent prostitution, and we are only now beginning to address another problem: how to orient young girls, who may make as much as \$200 a day in prostitution, toward a limited number of legitimate jobs in which they may be expected to earn, at best, a minimum wage. (Although girls working for a pimp turn their "earnings" over to him they receive, in return, support, lavish gifts and recognition from him.) And we must face the fact that there are few jobs for girls aged 12 to 16.

We emphasize that prostitution is, indeed, a dead-end job and provide vocational counseling and training to help them acquire skills for jobs which hold more promise for the future. □

A metropolitan task force has recommended various legislation, including changes in laws which would increase time in prison for pimps and make it easier to convict them, and new legislation which would create service programs for the girls.

In Minneapolis, for example, one shelter for young prostitutes and their children is funded by the Youth Development Bureau, ACYF, as part of the Minneapolis Bridge Runaway Project.

Anchorage Times 2/2/83

Prostitutes' survival — old but tricky business

"Oh, the Sisters of Mercy, they are not departed or gone."

— Leonard Cohen

by Krys Holmes
and Ellis E. Conklin
Times Writers

Under the neon lights of the Scandinavian Club, Denise, a 22-year-old hooker, stood alone Monday night.

After a deep yawn, she lit up a cigarette, kicked the slush from her maroon leather boots and ambled down The Avenue.

Few people walked by her. And those who did didn't seem to notice. Denise is a Fourth Avenue fixture like the drunks and the hot chili at the Panhandle Cafe.

At \$50 a crack and several "tricks" a

night, Denise can make as much as \$600 to \$1,000 a week. All the money, however, goes to her pimp. And, as one police officer put it: "They all say they work alone, but there isn't one girl out there who doesn't have a pimp."

The pimp takes care of her room and board, clothing, and the modest accessories necessary to perform nightly in this ancient profession.

"Things are quiet now," she said. "They (police) made the big bust and there ain't nothing left for 'em, 'cept for me and couple of other girls."

"I think they want to get the streets clean for Fur Rondy," Denise said bitterly.

She quickened her pace, turned the

corner at Fourth and Barrow, and decided she "don't want to talk no more."

There aren't many prostitutes talking right now. After a crackdown last weekend, most of them are scared. Others are in hiding "until the heat cools down." And many of them are still in jail dressed in blue jumpsuits, waiting for their pimps to post bail.

In the past 72 hours, Anchorage police, dressed in street clothes, have made 54 arrests for loitering and solicitation. Some of the women were collared as many as three times during the weekend. Chief Brian Porter said he can't remember seeing that much jail activity in several years here.

During the weekend, Porter said, the

streets were thick with prostitutes, and competition among the women was fierce. Some actually tried to stop traffic or climb into cars, Porter said. A police officer walking down the street discovered a prostitute with her "trick" having sex in the man's car. She got her \$50 for the deal — and was arrested on the spot. One local woman said her husband was propositioned as they walked to a restaurant in the Sunshine Mall.

There were no customers arrested, and not a single pimp.

Police say many of the women now working the streets came from Canada, Hawaii and the West Coast. Some came for more money; some because Anchorage has long

See Trick, page A-

Trick

(Continued from page A-1)

been a part of the prostitutes' migration pattern between Honolulu, Seattle, San Francisco and Los Angeles.

And for others, it is the promise of making a bundle during the Fur Rendezvous celebration that begins next weekend, and the military's Brim Frost maneuver that bring some 60,000 potential customers to Alaska to play war games in the Interior and see the sights of Anchorage afterward.

Tim Casper, a veteran on the vice squad, said the number of prostitutes on The Avenue rises and falls in a pattern. "It's something you can really count on," he said. "In January, they're all over, and they'll be that way until we put the pressure on them."

The "pressure" starts when the public outcry rises above a tolerant grumble. Until then, police are encouraged to spend the taxpayers' money going after the less visible crimes: robberies, rapes and burglaries.

But prostitution takes its toll on Anchorage's streets. Customers are rolled. Men are robbed by the women they willingly pay for, as the girls try to make more money for their "men."

Of the 23 murders that occurred in Anchorage in 1982, three of them were directly related to prostitution, police say. In two of the homicides, it was the hooker who killed. In the third, a pimp shot a girl's customer.

Casper said 30 to 40 percent of all the robberies and at least 60 percent of the pickpocketing in Anchorage is related to prostitution and street people on Fourth Avenue.

"We could put a lot of man hours into trying to build a felony theft case against one guy, and get very poor results. Or we could use the same number of officers and drag a few of the prostitutes off the streets and clean it up for a while," he said.

"My theory is to arrest them on loitering charges, and enforce their (probation) restrictions. Let them know Anchorage isn't going to tolerate it. Maybe then they'll leave, and with them the pimps will go, and the crime will go, too."

Most of the women are charged with loitering for purposes of prostitution, a misdemeanor. Because state laws about prostitution are ambiguous, and because a woman will almost always say she works alone, men are seldom arrested, and rarely prosecuted.

In this business, men may pay the money, but the women pay the price.

Joanne Baker, 26, is six months pregnant. She was arrested for soliciting Sunday night. It was her second arrest for prostitution since

coming to Anchorage from Miami last year.

There were no extra beds at the Sixth Avenue Jail Sunday night; she slept on the floor.

Looking haggard as she gazed through the plexiglass window in the visitor's room, Joanne scratched her stringy blonde hair. Her blue eyes were watery and her arms were speckled with small red blotches. She didn't want to talk, especially to a reporter.

She said she turned to selling her body after she couldn't find work as a bar maid. Asked about the weekend sweep, Joanne said, "Police, they told us it was because of Fur Rondy. That's why. That's why they're hitting on us."

And when she gets out on the streets again? "Well, we'll just move to a different area. There's always a different area to go to," she replied.

However, Joanne isn't sure how she is going to make bail. She appeared panicky. She says she has no pimp to fork out the \$300. "I don't know how I'm going to get it. I don't know. I don't know. Maybe, I'll call a friend."

Joanne and 20 other women were arraigned Monday before District Court Judge John D. Mason. They sat in the courtroom chained together.

Most of them were given bail and a court date, with the provision that they no longer sell their wares in the downtown area between Third and Sixth, from D Street to Barrow.

But most of them will. And many will go to jail. For the second, third, even seventh and eighth times.

Scott Sidell, a municipal prosecutor, said he has seen the same faces and names over and over again. Their names and ages are usually phony. But those arrested are all too often teen-agers posing as adults. Girls, posing as women, selling off their childhood bit by bit in exchange for an allowance, or a home, for a man who says he loves them.

It's shortly before midnight and Veronica stood in the doorway of an adult book store. She pulled her rabbit fur coat tighter around her. Her eyes searched for a possible customer. But no one was around.

During a brief conversation, Veronica said she's not worried about the police clampdown on her livelihood. "We'll be trickling back out again. The cops do this a couple of times a year. No big deal."

Standing alone again later, she spotted a man wearing an Army fatigue jacket, walking slowly near the Elbow Room. She waited until he passed right in front of her before she said, "Hey, you want to party?"

Her breath formed a tiny white cloud as she spoke.

They walked quickly together, neither of them speaking.

Jury deliberates pimp case

By JULIE ANNE GOLD
Daily News reporter

The fate of Willie B. Bell, an Anchorage man accused of setting up three teenage girls in lives of prostitution, was being contemplated Wednesday night by a jury of six men and six women.

Closing arguments brought an end Wednesday to the eight-day trial in which three former teenage prostitutes explained the ins and outs of working the streets of Anchorage to the jury.

Bell was arrested in May for allegedly forcing two of the girls, and attempting to induce the third, to engage in prostitution. He was also indicted on a fourth charge of illegally running a prostitution business.

If convicted, Bell, who has pleaded innocent to all the charges, could face up to 25 years in jail, according to the district attorney's office.

The case is the first time in many years the state has brought an alleged pimp to trial on felony charges, the district attorney's office said.

Prosecutor Martha Beckwith relied heavily Wednesday on the testimony of the three teenagers to prove the state's case against Bell.

Under oath the girls, ages 15, 16 and 17, pointed to the defendant — usually slouched in his chair — as their former pimp who often beat them and threaten to kill them for not making more money from "johns" or "dates."

Bell's lawyer, Peter Mysing, claimed Bell never agreed to be their pimp and that



they were free to leave him any time, but decided live with him while they — on their own — engaged in prostitution.

Mysing acknowledged Bell on occasion drove the girls downtown, accepted money from them and slapped them during "domestic" quarrels. However, he denied his client ever "induced or forced" them to be prostitutes.

In order to convict Bell on first-degree pimping charges, the state must prove he intended to cause or force the girls to engage in prostitution.

In an effort to discredit the girls'

testimony, Mysing recounted Bell's testimony of driving one of the girls to the Big Timbers motel for a "date."

The room cost \$37 and the girl received \$20, Mysing said. Bell would have to be an "extremely bad pimp" if he had set up the meeting.

Beckwith defended the testimony of the girls. "She basically went through the wringer to come in and testify candidly," Beckwith said, defending the veracity of one of the girl's statements.

That girl admitted under cross-examination to being a prostitute and living with several men for a few months at a time before agreeing to live and work for Bell in January.

"Ladies and gentlemen, ask yourselves why Mr. Bell was involved with these young girls, these juveniles," Beckwith said. "Why did he give them rides" downtown, wait for them and pick them up?

"If it were not like men like Mr. Bell, perhaps juveniles would not run to the street. He performed a function on that street," Beckwith claimed.

If the jury reaches a verdict Wednesday, one court source said, the results would be sealed and not made public until this morning.

1/22/81

Imp gets sentence of 3 years

By TERRY CARR
Daily News reporter

A 25-year-old father of five was sentenced to three years in prison Wednesday for running a prostitution ring of teenage girls.

Willie B. Bell, who has been in jail since he was arrested on pimping charges in May, is the first person to be convicted and sentenced to prison under a 1980 law outlawing the promotion of prostitution among juveniles, prosecutors said.

Superior Court Judge Milton Souter said he added one year to Bell's sentence because of testimony Wednesday by another jail inmate, William Smith. Smith told the court Bell Wednesday morning threatened to harm him and his daughter unless Smith gave testimony favorable to Bell.

Bell denied making the threat.

Souter ordered Bell to prison despite pleas from defense attorney Peter Myding, who called his client's offense "a detour in his life" and said Bell was an "adoring father."

If Souter gave him probation, Bell told the judge, "you'll never see me in another courtroom for anything."

Souter called the crimes for which Bell was convicted in October a "dirty business."

"This sentence has to serve as a deterrent" to Bell and others engaged in prostitution, he said.

Souter also said he was influenced heavily by trial testimony and evidence that the Bell used violence and the threat of violence to control the girls in his prostitution ring.

Teenagers who worked for Bell testified during the trial that Bell often beat them and threatened to kill them.

Souter said "the great majority of women would not engage in prostitution" unless threatened with violence, lured with the promise of narcotics, or by other means of persuasion.

"Here, the powerful persuasion was threats of violence and, on at least one occasion, the use of violence," he said.

Bell, who sat silently throughout most of Wednesday's sentencing, spoke only to plead for probation and to contest the testimony of Smith, the inmate who claimed Bell had threatened him.

"I've been in jail," Bell said. "I learned my lesson in jail. I don't need to spend any more time in jail."

Smith, who was arrested here in December on an Arlington theft charge, said he became friendly with Bell in jail. "You better get me out of this," Smith quoted Bell as telling him.

Smith, who at first refused to testify but relented under Souter's order, said Bell also threatened Smith's 14-year-old daughter unless Smith testified favorably.

Bell denied he threatened Smith or his daughter.

"All I told him was to come to court and testify and tell the truth," Bell said.

Souter, however, said he believed Smith and that he added a year to his sentence because of the threats.

"I think Mr. Bell needs to sit in jail and think about that. We're not going to tolerate that kind of behavior," Souter said.

Souter gave Bell credit for the 240 days he has already spent in jail. Bell will be eligible for parole after serving one-third of his sentence.

ADN 10/10/80

Willie Bell convicted in teen-ager prostitute case

By JULIE ANNE GOLD
Daily News reporter

Willie B. Bell, accused as a Fourth Avenue pimp, was convicted of inducing a 14-year-old girl into a life of prostitution by a Superior Court jury Thursday.

The 29-year-old Bell faces up to 10 years for the first-degree felony charge.

In a complex reading of six separate verdicts, the jury found Bell innocent of forcing two other girls, ages 15 and 16, into prostitution, but guilty of promoting them to become prostitutes.

These lesser, third-degree charges carry possible prison sentences of up to a year and 90 days.

Delivering its sixth verdict in the

case, the jury found Bell guilty of managing and supervising a prostitution enterprise, other than in a place of prostitution. The felony offense holds a maximum sentence of five years in prison.

Bell, nervously looking around the nearly empty courtroom Thursday, buried his head in his hands after the clerk read the first "guilty" verdict.

"We plan to appeal," said Peter Mysing, Bell's attorney.

"All three ladies' testimony was damaging against Bell," Mysing said. "The issue was who was the jury going to believe."

Even though Bell admitted taking money that he knew came from prostitution from the 16-year-old, according to Mysing, Bell never "caused" or

"induced" the 14-year-old to become a prostitute.

However, the jury thought otherwise.

"There was definite evidence to support she was forced into prostitution," one juror said Thursday. "The photos showed she was beaten and bruised."

Prosecutor Martha Beckwith said the 14-year-old's testimony and a tape-recorded confrontation between Bell and the three girls probably were the most damaging evidence against Bell.

"He beat me real bad," a voice — identified by the state as belonging to the 14-year-old — said on the tape.

A series of color snapshots, passed from juror to juror, depicted the teen-ager with cuts and bruises on her face and arms.

However, the testimony of the older girls apparently did not convince the jury that Bell "forced" or "attempted to force" them into prostitution.

One of the girls, who admitted to being a prostitute before she met Bell, told the jury she was his lover for several months before his arrest.

"In her case, it was hard to tell what was a lovers' fight from a business fight," another juror said.

Another juror agreed, saying "there was just not enough evidence for a first-degree conviction" in connection with the two other girls.

But the jurors, gathered around Judge Milton Sauter's third-floor jury room for the last time, all agreed there was plenty of evidence to convict Bell of the state's last charge —

pimping for the three girls.

"The facts showed he drove them around" Fourth Avenue, one juror said, and "then waited and picked them up."

Mysing called this conviction a "surplus charge." The only way his client could be convicted of inducing the 14-year-old to become a prostitute, Mysing said Thursday, would be by pimping for her.

If Bell is sentenced to both charges the state will be guilty of double jeopardy, Mysing claimed.

Beckwith disagreed, saying she "was pleased" with the verdicts.

It was the first time "in at least four or five years" the state has successfully prosecuted someone for street pimping, she said.

grams for prevention and treatment. Their paper is the first to address adolescent abuse from the standpoint of a combination of factors, involving parents, children and social stresses, and is intended to guide future work on the subject.

Teen-Age Prostitutes

Adolescent prostitution has been receiving a great deal of attention in Minnesota, and particularly in the Twin Cities area of Minneapolis-St. Paul. The area is notorious as the home of many young girls who are now working as prostitutes in New York City, Chicago, and California; so notorious that one section of New York with numerous adolescent prostitutes has become known as the "Minnesota Strip."

Based on 3 years of direct fieldwork, Michael Baizerman, Jacquelyn Thompson, Kimaka Stafford-White, and "An Old, Young Friend"—an 18-year-old woman with five years' experience in prostitution—have written of this problem in *Children Today*.

In the Twin Cities area, girls of all races are involved in prostitution; their ages range from 13 to 18. Some have a male pimp, others do not, and many make a transition from working independently to working for a pimp. Generally speaking, most of the young prostitutes work "the street"—both actual city blocks and other specific locations, such as shopping malls and the areas around some bars and after-hours clubs. Most sex acts take place in cars, although some girls use apartments and, more rarely, motel and hotel rooms.

Many of the girls practice birth control; pills, followed by the IUD, are the two most popular forms. Since girls may begin using the pill at an early age, they may be at risk of resultant medical complications. Use of the IUD could lead, through violence during the sex act, to such serious problems as perforation of the cervix. Condoms seem to be used less as a pregnancy prophylactic than as a preventive for venereal disease.

Many girls do not know much about venereal disease, and what information they do have seems to be obtained from "the street." Some learn from experience that one coarseness might be scar tissue on the fallopian tubes, which could prevent pregnancy. Generally, pimps take care of the medical and health expenses of their girls.

Many pimps working in neighborhoods and the metropolitan area do not use hard drugs and do not allow their girls to use them—hard drug use raises the risk of arrest and the cost of the pimp's operation. Hard drugs also compete with a pimp for the girl's dependency. This is not to say that many girls do not have a history of drug use or that some girls may not be intentionally intro-

duced to drugs as a way to secure and control them. However, this latter pattern is more characteristic of interstate than of local patterns.

All of the pimps are male and most of the younger ones are black. Those who live in the neighborhood where the girls work—"popcorn" or "bubble gum" pimps, or "players"—are about 17, 18 and 19 years old, while those who come from outside the state are usually older, having moved up the "career ladder" from neighborhood pimp to small businessman. Black pimps tend to work on the street while white pimps, usually older, are more likely to be involved with more formally organized action such as call girls, saunas, and massage parlors.

In general, the younger pimps come from disadvantaged neighborhoods; they have relatively poor formal education, lack basic skills, and have few opportunities to obtain legitimate work. As a result, they are likely to be frustrated, angry, resentful, and unsure of themselves. They tend to use force to control their girls and may attempt to hurt a girl or someone who tries to interfere with their operation. It is likely, however, that many of these young men will move out of pimping if other possibilities are found. Those who stay in it do so partly because there are few work opportunities. Most do not stay out of any great pathological or perverse need.

Older and more sophisticated pimps rarely use physical force on their women. Their method of control is psychological and emotional, with the goal of having the girls become totally dependent upon them.

The local buyers or Johns seem to be white men over 25 years of age, both married and single. We know that many have families of their own—and that some men ask for girls of their daughters' age.

Although a wide variety of sex acts are performed, most men seem to want oral sex or intercourse. The price varies according to the act and the time involved. For ordinary oral sex or intercourse, it is about \$25. Other factors—whether the girl works for a pimp, the location of the pick-up, the nature of the sex act, and whether or not there is a big convention in town—also influence the cost.

Most of the action seems to take place from lunchtime to late afternoon, and then later in the evening. These afternoon times fit well within typical male working schedules and allow married men the opportunity to be home in the evening and still engage in—and protect—their activities.

Business hours are also determined by the girls' schedules. Since they may also be students in junior and senior high school, the girls may choose to work only after school. Afternoon hours are convenient for girls who live at home and work at prostitution part time, without parental knowledge.

The Tragedy of Teenage Prostitution

by FATHER BRUCE RITTER with BOB WEINSTEIN

We must face the shocking facts, says a Catholic priest, and care enough to try to change them.

I am not going to make it. I am going to die out there. The streets are going to kill me." He was 17 years old. We'll call him Louis. He was talking to one of the co-authors of this article, the Reverend Bruce Ritter, a 52-year-old Franciscan priest. Two years ago, Father Ritter started Covenant House. It is a shelter for teenagers, most of them runaways, who roam the sinful streets around Times Square in midtown New York.

Wherever there are large numbers of runaways, teenage prostitution is a fact. The problem is already very bad—and getting worse—in cities such as New York, Los Angeles, Miami, and Houston. But it's not just a big-city problem. Those runaways come from almost every corner of the United States. Fleeing or kicked out of their homes, they come to the cities with dreams of glamor and fun.

The Federal Bureau of Investigation keeps statistics on runaways. Between 600,000 and one million young people run away from home every year, the FBI reports. Not all of these, of course, end up in prostitution. In fact, quite a few return home very soon. But almost all teenage prostitutes start out as runaways.

These teenage runaways cannot get honest work. They have not finished school. Rightly or wrongly, they don't want to go home. Or maybe they don't have a home, or parents, anymore. Or maybe their parents don't want them to come home.

Over the past 18 months, 8,000 homeless young people have come to Covenant House. There, they can get a good night's sleep, eat nourishing meals, and clean up. Perhaps most important of all, they can talk about their lives with the volunteers who work there. Like Louis, who fears "the streets are going to kill me," 60 percent of the young people who show up at Covenant House are involved in prostitution.

At 17, Louis has been a hustler for three years. He didn't finish school and can't write very well. He's an alcoholic. He drinks every day, he says, to try to forget what he has to do to survive. He is a naturally

Few things get Father Ritter to put aside his work for Covenant House—even for a little while. This article was one of them. We are grateful to Father Ritter and to his co-author, Bob Weinstein, a frequent contributor to this magazine.



Teenage runaways head for cities — and ruined lives. Father Ritter fights to save them.

bright person who, maybe, could have led a more "normal" life. But his chances, now, of leading anything like a normal life are just about zero.

What do volunteer workers say to teenagers like Louis who come to Covenant House and similar shelters around the country? The volunteers have only one hope: to try to convince a teenager that he or she has other choices in life. Maybe (a volunteer may suggest) going back home is better than staying

on the streets. But many of these teenagers just can't believe that they can change their lives, that they have any choices at all.

So, they go back on the streets. Hundreds of them have been held prisoner, tortured, raped. Some of them have been murdered. One 16-year-old girl—we'll call her Alice—was held prisoner for a week, after a pimp picked her up in New York's Port Authority Bus Terminal. Alice was drugged, raped repeatedly, but finally escaped. Her pimp found her again and told her he had to have her back. He said he owned her. Besides, Alice was worth thousands of dollars a month to him.

Police have identified about 1,000 pimps in just the New York City midtown area. Each one usually controls between two and four girls like Alice. The prostitute is the "property" of the pimp. Each girl is expected to bring the pimp a certain amount of money a day, usually around \$200. She has to. If she doesn't, a brutal beating is about the best she can hope for.

Prostitution has been called a "victimless crime." That means a crime that doesn't hurt anybody. But that leaves out all the young people who are beaten, tortured, held prisoner. And what about those who are murdered? What about the ones who commit suicide out of hopelessness and desperation?

These are the victims. But who, really, are they? Here are some statistics from Covenant House. Fifty percent of the teenage prostitutes are black; 18 percent are Spanish-speaking; 25 percent are white. The rest are of mixed ethnic backgrounds. Seventy-five percent are boys. The median age of both boys and girls is about 17. Almost one-half of

them are 17 or younger. Nineteen out of 20 come from one-parent families. If they come from two-parent families, there is almost always alcoholism in the family.

Seventy-five percent of teenage prostitutes are children of the poor. Most of them have suffered child abuse. They have either been thrown out or walked out of homes that have broken up, or homes where there seems to be no love or understanding left.

To an experienced pimp, these needs for attention and security are easy to spot—and easy to prey on. A lot of scared young girls, for example, want to believe that the smooth, expensively dressed young men who seem to fall for them really care. The rude awakening often comes when the girl is asked to prove her love by repaying the man for his generosity. She can repay him, he tells her, by selling her body and making money for them both. For her, it can seem like her only option.

Meanwhile, the "sex industry" is booming. And teenage prostitution and pornography, too, get bigger every day. Business has never been better. Why? There are probably just two answers. They are two of the seven deadly sins—greed and lust. There is big money in selling sex. Greed makes people go after that money. The money comes from other people who lust after children and teenagers. And, of course, the greedy ones want to make sure money keeps rolling in. They are for the most part linked to what we know as organized crime. They have a big stake in being deadly efficient—for them, sex is a \$4-billion-dollar-a-year industry. □

Father Bruce Ritter— On Stopping Teenage Prostitution

Senior: With all you've seen—all the pain and suffering—do you think it's possible to end the problem?

Father Ritter: I do. It seems, though, that very few people really want to do anything.

Senior: Do what? You make it sound as if individuals—young individuals—can do something. But is that realistic? What have adults, politicians, the police been able to do?

Ritter: Very little. But I think that's because they've only given lip service to the problem. But they've made little effort to stop it. The problem grows worse every day. But young people can care. Caring is a good way to start. If their sister or brother or close friend were on a street corner, it wouldn't be so hard to care. Caring is the first step in accepting responsibility—for yourself and for others.

Senior: That sounds good. But it also sounds like a lot of other things people have said before about love and caring making things all right....

Ritter: Wait a minute. That's only a beginning. The caring makes people act. And that's what it takes to make them realize they have power.

Senior: What kind of power?

Ritter: The power to put people into office—and to

take them out. Politicians respond to the people who write them—people who care, people who vote. Letters are a good way for your readers to start. And before long, they'll be voting. They can vote against the uncaring politicians and judges and the do-nothing district attorneys.

Senior: But statistics show that not many young people actually vote.

Ritter: I know! That's immoral and irresponsible. I hear young people say that their vote doesn't count. But they don't even try to find out if that's true.

They may shake their heads over a problem like teenage prostitution, but they don't try to do anything.

Senior: But why should they really care—about a problem that seems so far away?

Ritter: I thought I already gave them some good reasons. But here's another. Some day, they will have children of their own. And they have to decide if they want those children growing up in a world where young people are bartered like sacks of potatoes. They can't afford to wait until then... until those children are teenagers and maybe thinking of running away. That will be too late. The problem can't be—won't be—stopped overnight. It's going to take time. And the time to start is now. □

ALASKA NETWORK ON DOMESTIC VIOLENCE AND SEXUAL ASSAULT

P.O. BOX 809

JUNEAU, ALASKA 99802

586-3650

POSITION PAPER

HB128: An Act raising the penalties for promoting child prostitution

The Alaska Network on Domestic Violence and Sexual Assault is a non-profit corporation composed of twenty-one programs statewide that provide domestic violence, sexual assault, and adult crisis intervention services to members of their respective communities. Network programs are funded in part through grants and contracts awarded by the Council on Domestic Violence and Sexual Assault.

The Network was established in 1978, and has as one of its primary focuses the elimination of domestic violence and sexual assault through provision of shelter, advocacy, and education/prevention services.

The Network supports the intent of HB128 in its efforts to discourage the perpetration of abusive behavior towards minors.

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 128 Date on Bill: 1/26/83
 Title: An Act raising the penalties for promoting child prostitution
 Sponsor: Rep. Lindauer
 Requestor: House HESS

1. Estimated fiscal impacts on:

a. Expenditures:

		(Thousands of Dollars)			
		FY 83	FY 84	FY 85	FY 86
Capital					
Operating					
Total		-0-	-0-	-0-	-0-

b. Revenues:

Revenue					
---------	--	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

No fiscal impact.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Paul Conger Phone: 465-4338
 Division: Administrative Services Date: 2/16/83
 Approved by Commissioner: *Robert H. Lindauer* Date: 2-22-83
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 117 Date on Bill: 1/26/83
 Title: An Act Relating to Sexual Abuse of a Minor
 Sponsor: Rep. Pestinger
 Requestor: House HESS

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating				
Total	-0-	-0-	-0-	-0-

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

No Fiscal Impact

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Paul Conger Phone: 465-4338
 Division: Administrative Services Date: 2/18/83
 Approved by Commissioner: *[Signature]* Date: 2/23/83
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 127 Date on Bill: 1/26/83
 Title: An Act to increase the punishment for sexual assault
 Sponsor: Rep. Lindauer
 Requestor: House HESS

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating				
Total	-0-	-0-	-0-	-0-

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

3. Assumptions:

No fiscal impact.

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Paul Conger Phone: 465-4338
 Division: Administrative Services Date: 2/16/83
 Approved by Commissioner: *Robert Lindauer* Date: 2-22-83
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. House Bill No. 128
 Title "An Act raising the penalties for promoting child prostitution"
 Requested by Representative Lindauer Date Jan. 26, 1983

II. FISCAL DETAIL

Agency Affected Health & Social Services
 Program Category Affected Offender Confinement, Reformation & Supervision
 BRU, Program or Subprogram(s) Affected Adult Confinement
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

Enactment of House Bill No. 128 would raise the penalties for promoting child prostitution from a Class B felony to a Class A felony.

* (Unable to determine fiscal impact with data available.)

IV. DATE February 4, 1983 PREPARED BY Roger C. Lange
 AGENCY Division of Adult Corrections
 ORIGINAL: Legislative Finance PHONE 465-3376
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS ETC.						
TOTAL	*	*	*	*	*	*

FUNDING (Thousands of Dollars)

GENERAL FUND						
FEDERAL FUNDS						
OTHER (Specify Fund Source)						

POSITIONS

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instructions, Section III)

If enacted, House Bill No. 128 would raise the penalties for promoting child prostitution from a Class B felony to a Class A felony.

* No data is available to indicate the frequency of this crime, the number of arrests or convictions. Therefore, no estimate can be made as to the fiscal impact if this legislation enacted. Since statistical data is not available, it is assumed that this offense is rarely encountered and any potential fiscal impact would be minimal, particularly since the bill is only raising an existing crime to a classification with longer sentences.

're HB 127

① - could you find if there are any statistics on actual deterrent effect of increasing sentences by $\frac{1}{5}$

② - what effect would these bills (117, 127, 128) have on # of prisoners in jail or under authority of corrections over a 5 year period (average)

TERMS OF IMPRISONMENT

OCTOBER 1, 1982

FIRST FELONY CONVICTION SECOND FELONY CONVICTION THIRD FELONY CONVICTION

MURDER I
 MUR. II & KIDNAP. &
 M. I. C. S. I
 SEXUAL ASSAULT
 1st **
 SEXUAL ASSAULT
 1st
 A FELONY **
 A FELONY
 B FELONY
 C FELONY

[20] -- 99	[20] -- 99	[20] -- 99
[5] -- 99	[5] -- 99	[5] -- 99
5 -- (10) -- 30	7 1/2 -- (15) -- 30	12 1/2 -- (25) -- 30
4 -- (8) -- 30	7 1/2 -- (15) -- 30	12 1/2 -- (25) -- 30
3 1/2 -- (7) -- 20	5 -- (10) -- 20	7 1/2 -- (15) -- 20
2 1/2 -- (5) -- 20	5 -- (10) -- 20	7 1/2 -- (15) -- 20
0 -- 10	0 -- (4) -- 10	3 -- (6) -- 10
0 -- 5	0 -- (2) -- 5	0 -- (3) -- 5

** APPLIES WHEN A DEFENDANT POSSESSED A FIREARM, USED A DANGEROUS WEAPON OR CAUSED SERIOUS PHYSICAL INJURY EXCEPT FOR MANSLAUGHTER.
 NUMBERS IN (BRACKETS ARE) PRESUMPTIVE SENTENCES. NUMBERS ENCLOSED BY BOXES ARE MANDATORY MINIMUM SENTENCES.
 NUMBERS TO LEFT OF BRACKETS ARE LOWEST MITIGATED SENTENCES. NUMBERS TO RIGHT ARE HIGHEST AGGRAVATED SENTS.

Staff Report
House bills 117,127,128
January 27, 1983

HB 117:

Under current statute, sexual abuse of a minor under 16 years of age is a class C felony.

As proposed by HB 117:

1. Sexual abuse of a minor under 13 years of age is a offense in the first degree and is a class B felony.

2. Sexual abuse of a minor aged 13 to 16 is sexual abuse in the second degree and is a class C felony.

HB 127:

Under current statute, the first felony conviction for sexual assault in the first degree, not involving firearms, use of a dangerous instrument, or causing serious physical injury requires a presumptive sentence of 8 years. The proposal will change that sentence to 10 years.

Under current statute, the first felony conviction for sexual assault in the first degree involving firearms, a dangerous instrument, or causing serious physical injury requires a presumptive sentence of 10 years. HB 127 changes that sentence to 12 years.

HB 128:

Under current statute, promoting prostitution is a class B felony. HB 128 provides that inducing or causing a person under 16 years of age to engage in prostitution is a class A felony.

TERMS OF IMPRISONMENT

OCTOBER 1, 1932

FIRST FELONY CONVICTION SECOND FELONY CONVICTION THIRD FELONY CONVICTION

MURDER I	20 -- 99	20 -- 99	20 -- 99
MUR. II & KIDNAP. & M. I. C. S. I	5 -- 99	5 -- 99	5 -- 99
SEXUAL ASSAULT 1ST **	5 -- (10) -- 30 <i>HB 127 (12)</i>	7 1/2 -- (15) -- 30	12 1/2 -- (25) -- 30
SEXUAL ASSAULT 1ST	4 -- (8) -- 30 <i>HB 127 (10)</i>	7 1/2 -- (15) -- 30	12 1/2 -- (25) -- 30
A FELONY **	3 1/2 -- (7) -- 20	5 -- (10) -- 20	7 1/2 -- (15) -- 20
A FELONY <i>↑ HB 128</i>	2 1/2 -- (5) -- 20	5 -- (10) -- 20	7 1/2 -- (15) -- 20
B FELONY <i>HB 117 2 1/2 10*</i>	0 -- 10	0 -- (4) -- 10	3 -- (6) -- 10
C FELONY	0 -- 5	0 -- (2) -- 5	0 -- (3) -- 5

** APPLIES WHEN A DEFENDANT POSSESSED A FIREARM, USED A DANGEROUS WEAPON OR CAUSED SERIOUS PHYSICAL INJURY EXCEPT FOR MANSLAUGHTER.
 NUMBERS IN (BRACKETS ARE) PRESUMPTIVE SENTENCES. NUMBERS ENCLOSED BY BOXES ARE MANDATORY MINIMUM SENTENCES.
 NUMBERS TO LEFT OF BRACKETS ARE LOWEST MITIGATED SENTENCES. NUMBERS TO RIGHT ARE HIGHEST AGGRAVATED SENTS.

2/9/83

No Fiscal NOTES

HB 117

GALE HORETSKI DEPT OF LAW

SUGGEST : 1) SEX ABUSE of MINOR - B FELONY

2) OFFENDER 3-4 YRS older

CONTROLLED SUBSTANCES bill - DEALS WITH

AGE, MINOR FURNISHING d- to PERSON

3 YRS younger.

HB 127

No Fiscal NOTE

NO SUPPORT by Dept of LAW - REVISION of CRIMINAL code
IN 79 MADE UNIFORM, sentences NO deterrent value to increasing
PAST sentence

HB 128

No Fiscal Note

STATE OF ALASKA
PRELIMINARY STATEMENT OF FISCAL IMPACT

Bill No: HB 128 Date on Bill: 1/26/83
 Title: An Act raising the penalties for promoting child prostitution
 Sponsor: House HESS
 Requestor: _____

1. Estimated fiscal impacts on:

a. Expenditures:

(Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86
Capital				
Operating				
Total	-0-	-0-	-0-	-0-

b. Revenues:

Revenue				
---------	--	--	--	--

2. Source of funds to offset fiscal impact of bill:

Source of funds not identified by sponsor

3. Assumptions:

No fiscal impact

4. Disclaimer:

This statement has not been reviewed by the OMB in the Office of the Governor. It therefore does not represent the final estimate of fiscal impact.

Prepared By: Paul Conger Phone: 465-4338
 Division: Administrative Services Date: 2/28/83

Approved by Commissioner: [Signature] Date: 2/25/83
 Department: Public Safety

5. Distribution:

- Original to Legislative Finance
- Copy to OMB
- Copy to Sponsor
- Copy to Requestor

2/15/83

Representative John Lindauer
District 10-A
3933 Geneva Place
Anchorage, AK 99508

Alaska State Legislature



White in Juneau
Pouch V
Juneau, AK 99811
465-3709

House of Representatives

TO: House Health, Education & Social Services Committee
FROM: Representative John Lindauer *John Lindauer*
RE: HB 127 " An Act to increase the punishment for sexual assault
in the first degree."

The scope of this bill is to increase the punishment for those convicted of sexual assault in the first degree.

First degree sexual assault includes rape of any person, attempted rape with serious physical injury to the victim, any sexual involvement with a person under 13 years of age, and incest.

The specific punishment increases are outlined within HB 127.

Dave -

*Rep. Lindauer dropped
these off for the hearing
on Wed.*

AB

SELECT - QUERY
00003 ALL SECTION EQ 11.66.110

AS11.66.110 DOCUMENT= 1 OF 1

HB 128

CHAPTER = 11.66
SECTION = 11.66.110
TITLE = 11

HEADINGS TITLE 11.
CRIMINAL LAW.
CHAPTER 66.
OFFENSES AGAINST PUBLIC HEALTH AND DECENCY.
ARTICLE 1.
PROSTITUTION AND RELATED OFFENSES.

CITATION SEC. 11.66.110.

CATCH LINE

PROMOTING PROSTITUTION IN THE FIRST DEGREE.

TEXT

(A) A PERSON COMMITS THE CRIME OF PROMOTING PROSTITUTION IN THE FIRST DEGREE IF HE

(1) INDUCES OR CAUSES A PERSON TO ENGAGE IN PROSTITUTION THROUGH THE USE OF FORCE;

(2) AS OTHER THAN A PATRON OF A PROSTITUTE, INDUCES OR CAUSES A PERSON UNDER 16 YEARS OF AGE TO ENGAGE IN PROSTITUTION; OR

(3) INDUCES OR CAUSES A PERSON IN HIS LEGAL CUSTODY TO ENGAGE IN PROSTITUTION.

(B) IN A PROSECUTION UNDER (A)(2) OF THIS SECTION, IT IS NOT A DEFENSE THAT THE DEFENDANT REASONABLY BELIEVED THAT THE PERSON HE INDUCED OR CAUSED TO ENGAGE IN PROSTITUTION WAS 16 YEARS OF AGE OR OLDER.

(C) PROMOTING PROSTITUTION IN THE FIRST DEGREE IS A CLASS B FELONY.

HISTORY (SEC. 8 CH 166 SLA 1978)

R0601 * END OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

H B

137

COMMITTEE REPORT

HOUSE

FURTHER: LAR
FINANCE

1/23/83

Date: March 9, 1983

Mr. Speaker:

The Committee on HESS has had HB 137

An Act making a supplemental appropriation to the Department of Education for the retirement of school construction debts; and providing for an effective date.

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
 new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

Mike Davis

M.W. Miller

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

CHAIRMAN

SUMMARY: HB 137 "AN Act making a supplemental appropriation to the Department of Education for the retirement of school construction debts; and providing for an effective date."

Section 1. The supplemental appropriation requested is broken down further as two requests:

1. \$5,522.0 - This amount is the difference between the 'estimated' and 'actual' claims from the municipalities under the new program as enacted last year. HB 279 (Chp. 92 SLA 82) removed the two year lag time for state reimbursement of the municipal debt retirement. It also raised the reimbursement rate from 80% to 90%.

43.18.100 - STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT.(copy attached) This section outlines the formula used for the state reimbursement.

\$7,577.7 - Shortfall due to an attempt by last year's Legislature to utilize the Cigarette Tax Revenues to fund a portion of the entitlement.

Section 2. Immediate effective date clause.

enclosures in file:

left

Statutes: 43.18.100 School Const. Aid
43.50.150 Tobacco Tax (distribution)
4AAC 36-010 Dept. Reg's re/Cig. Tax

right

Dept. Educ. Explanation/ actual vs estimated claims - \$5,522.0
Dollar Differences - Chart (\$5,522.0)
Dept. of Educ. Explanation/ Shortfall - Use of Tobacco Tax - \$7,577.7
Chart - Formula showing Shortfall - \$7,577.7
Distribution of \$ under HB 137
DOE Fiscal Note

Article

- 1. Aid for Miscellaneous Municipal Purposes (Repealed)
- 2. Aid for School Construction (§§ 43.18.100 — 43.18.135)
- 5. Cultural Facilities (§ 43.18.500)

Article 1. Aid for Miscellaneous Municipal Purposes.

Section

10—46. (Repealed)

Secs. 43.18.010 — 43.18.045.

Repealed by § 11 ch 155 SLA 1980.

Cross references. — For programs of municipal assistance, see AS 29.88.010 — 29.88.045, 29.89.010 — 29.89.100, 29.90.010 — 29.90.030 and 29.95.010 — 29.95.030.

Editor's notes. — The repealed article derived from § 10, ch. 95, SLA 1969; §§ 1 — 5, ch. 194, SLA 1970; § 3, ch. 84, SLA 1971; §§ 1, 2, ch. 127, SLA 1971; § 43, ch.

71, SLA 1972; §§ 3, 4, ch. 200, SLA 1972; § 6, ch. 32, SLA 1973; §§ 1, 2, ch. 87, SLA 1973; §§ 1, 2, ch. 43, SLA 1974; § 1, ch. 14, SLA 1974; §§ 44, 45, ch. 127, SLA 1974; § 1, ch. 45, SLA 1975; § 1, ch. 100, SLA 1976; §§ 1, 2, ch. 208, SLA 1976; §§ 1, 1 ch. 265, SLA 1976; §§ 4, 5, ch. 120, SLA 1977; § 24, ch. 168, SLA 1978; § 3, ch. 171, SLA 1978.

Article 2. Aid for School Construction.

Section

- 100. State aid for retirement of school construction debt
- 105. Public school facilities construction advance account
- 110. Eligibility

Section

- 115. State aid
- 120. Application for aid
- 125. Conditions of state aid
- 130. Construction and implementation
- 135. Definitions

Sec. 43.18.100. State aid for retirement of school construction debt. (a) During each fiscal year, the state shall allocate to a municipality that is a school district, the following sums:

(1) payments made by the municipality during the fiscal year two years earlier for the retirement of principal and interest on outstanding bonds, notes or other indebtedness incurred before July 1, 1977 to pay costs of school construction;

(2) 90 percent of

(A) payments made by the municipality during the fiscal year two years earlier for the retirement of principal and interest on outstanding bonds, notes or other indebtedness incurred after June 30, 1977 and before July 1, 1978 to pay costs of school construction;

(B) cash payments made after June 30, 1976 and before July 1, 1978 by the municipality during the fiscal year two years earlier to pay costs of school construction;

(3) 90 percent of

years earlier for the retirement of principal and interest on outstanding bonds, notes or other indebtedness incurred after June 30, 1978 and before January 1, 1982 to pay costs of school construction projects approved under AS 14.07.020(11);

(B) cash payments made after June 30, 1978 and before July 1, 1982 by the municipality during the fiscal year two years earlier to pay costs of school construction projects approved under AS 14.07.020(11);

(4) subject to (h) and (i) of this section 90 percent of

(A) payments made by the municipality during the current fiscal year for the retirement of principal and interest on outstanding bonds, notes or other indebtedness incurred after December 31, 1981 to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(11); and

(B) cash payments made after June 30, 1982 by the municipality during the fiscal year two years earlier to pay costs of school construction, additions to schools, and major rehabilitation projects that exceed \$25,000 and are approved under AS 14.07.020(11).

(b) The commissioner shall administer the program of reimbursement authorized under this section and shall provide by regulation for the filing of applications for reimbursement, the form of proof of costs for which application for reimbursement is made, and other regulations necessary to administer the program. The commissioner shall exclude from the total school construction cost of the local district all state and federal funds included in these costs except funds provided under this section and AS 43.50.140. In approving applications for reimbursement, the commissioner shall

(1) offset against the amount of reimbursement authorized the amount of any funds distributed to the borough or city in the second preceding fiscal year from the school fund provided for in AS 43.50.140;

(2) Repealed by § 10 ch 92 SLA 1982.

(c) The school construction account is established. Funds to carry out the provisions of this section may be appropriated annually by the legislature to the account. If amounts in the account are insufficient for the purpose of providing the share to which a borough or city is entitled under this section, those funds that are available shall be distributed pro rata among the eligible local governments.

(d) Money in the school construction account which, at the end of the fiscal year for which the money is appropriated, exceeds the amount required for the allocations authorized in this section reverts to the general fund.

(e) The commissioner shall annually provide a report to the legislature on allocations of state aid made under this section, including but not limited to, the amount of state aid paid on a per capita and per student basis and the resultant effect on the rate of levy of taxes by the municipality for educational purposes.

(f) Repealed by § 17 ch 147 SLA 1978.

(g) In this section, unless the context requires otherwise,

(1) "commissioner" means the commissioner of education;

(2) "costs of school construction" means the cost of acquiring, constructing, enlarging, repairing, remodeling, equipping or furnishing of public elementary and secondary school buildings and includes the sum total of all costs of financing and carrying out the project; these include, but are not limited to, the costs of all necessary studies, surveys, plans and specifications, architectural, engineering or other special services, acquisition of real property, site preparation and development, purchase, construction, reconstruction and improvement of real property and the acquisition of machinery and equipment as may be necessary in connection with the project; an allocable portion of the administrative and operating expenses of the grantee; the cost of financing the project, including interest on bonds issued to finance the project; and the cost of other items, including any indemnity and surety bonds and premiums on insurance, legal fees, fees and expenses of trustees, depositaries, financial advisors, and paying agents for the bonds issued as the issuer considers necessary.

(h) An allocation under (a)(4) of this section for school construction begun after July 1, 1982, shall be reduced by the amount of money used for the construction of residential space, hockey rinks, planetariums, saunas, and other facilities for single purpose sporting or recreational uses that are not suitable for other activities. An allocation under (a)(4) of this section may not be reduced by the amount of money used for construction of a small swimming pool, tank, or water storage facility used for water sports. However, an allocation shall be reduced by the difference between the amount of money used to construct a swimming pool that is competition size or larger and the amount of money that would have been used to construct a small swimming pool, tank, or water storage facility, as determined by the commissioner.

(i) For the purposes of (a)(4) of this section:

(1) an indebtedness for bonds is incurred after the bonds are sold

(2) reimbursement for a cash payment may only be made after the payment is made to a vendor; and

(3) payments may not be made for costs that are incurred under a contract after the contract has been released. (§ 1 ch 249 SLA 1970; am § 1 ch 93 SLA 1971; am § 2 ch 137 SLA 1972; am § 1 ch 28 SLA 1973; am § 47 ch 127 SLA 1974; am §§ 1 — 3 ch 120 SLA 1977; am §§ 12, 17 ch 147 SLA 1978; am § 25 ch 168 SLA 1978; am §§ 8 — 10 ch 92 SLA 1982)

Effect of amendments. — The 1977 amendment beginning "including but not limited to" amendment repeals the 1977 amendment.

to pay the cost of school construction" from the end of paragraph (1), substituted "80 percent" for "60 percent" at the beginning of paragraph (2), substituted "June 30, 1978 and before June 30, 1978" for "July 1, 1978" in subparagraphs (A) and (B) of paragraph (2), and added paragraph (3). The amendment also repealed subsection (g) which read "The provisions of (a)(2) of this section apply only to payments made before July 1, 1971. The provisions of (a)(3) of this section apply to payments made after June 30, 1971."

The second 1978 amendment, in paragraph (2) of subsection (g), substituted "the sum total of all costs of financing and carrying out the project" for "but is not limited to the costs of acquisition of sites, legal, engineering, fiscal, architectural and other fees of specialists or consultants, costs of labor, materials, equipment and supplies, costs of authorization, issuance and sale of bonds, notes, or other evidences of debt" at the end of the first sentence and added the second sentence.

The 1982 amendment, effective July 1, 1982, substituted "a municipality that" for "an organized borough or a city which" in the introductory language of subsection (a), substituted "the municipality" for "the borough or city" in paragraphs (1), (2)(A) and (B), and (3)(A) and (B), substituted "90 percent" for "80 percent" in the introductory language of paragraphs (2) and (3), inserted "and before January 1, 1982" in paragraph (3)(A) and (B), and added paragraph (4). The amendment also repealed paragraph (2) of subsection (b), which read "required the borough or city to provide, with its application, a certified copy of the notice to taxpayers required by AS 43.18.030," and added subsections (h) and (i).

Editor's notes. — AS 43.18.030, referred to in paragraph (2) of subsection (b), was repealed by § 11, ch. 166, SLA 1980. For programs of municipal assistance, see AS 29.88.010 — 29.95.030.

Sec. 43.18.105. Public school facilities construction advance account. The public school facilities construction advance account is established. The account consists of appropriations for distribution under AS 43.18.105 — 43.18.135 to boroughs and cities which are school districts to assist in paying the costs of public school facilities projects approved under AS 14.07.020(10) for which construction is commenced after June 30, 1978 and for which no bonding, notes, or other indebtedness was incurred before July 1, 1978. (§ 13 ch 147 SLA 1978)

Sec. 43.18.110. Eligibility. Eligibility of a proposed construction project for funding assistance under AS 43.18.105 — 43.18.135 shall be determined by the department based on standards and criteria established by regulation. The standards and criteria to be considered in determining eligibility include the following:

- (1) emergency requirements;
- (2) number of unhoused students;
- (3) new elementary or secondary programs;
- (4) existing community and school facilities and their condition; and
- (5) economic and social stability of the community. (§ 13 ch 147 SLA 1978)

Sec. 43.18.115. State aid. (a) The

Chapter 50. Tobacco Tax.

Tax Act (§§ 43.50.010 — 43.50.180)
Cigarette Tax (§ 43.50.190)

Article 1. Cigarette Tax Act.

	Section
	90. Tax imposed
	100. Civil penalties
	110—120. [Repealed]
	130. Records
	140. Disposition of proceeds
	150. Administration
	160. Criminal penalties
	170. Definitions
	180. Short title

License
 License fees
 Retailer-distributor license
 Issuance of licenses
 Transfer of licenses
 Denial
 Revocation of licenses
 Renewal

§ 43.50.010. License. (a) No person may sell, purchase, possess, acquire cigarettes as a manufacturer, distributor, direct-buying retailer, vending machine operator, or buyer without a license.

(b) The department, upon application and payment of the fee, shall issue a license to each manufacturer, distributor, direct-buying retailer, vending machine operator, or buyer. The department shall make reasonable regulations which it considers necessary in respect to the application for and the issuance of licenses.

(c) The department may refuse to issue a license if there is reasonable cause to believe that the applicant has wilfully withheld information requested of him to determine his eligibility to receive a license, or if there is reasonable cause to believe that information submitted in the application is false or misleading and is not made in good faith.

(d) A license required by §§ 10—180 of this chapter is in addition to any other license required by law. (§ 3 ch 187 SLA 1955)

In Jur. and C.J.S. references. — 33
Jur. Licenses, §§ 17, 20, 54, 57, 79.
C.J.S. Licenses §§ 6, 22, 44.

§ 43.50.020. Separate licenses. If a person operates more than one place of business, the person must obtain a separate license for each place of business, except that a person operating one or more cigarette vending machines is considered to have only one place of business for the purpose of a license under §§ 10—180 of this chapter. A person licensed only as a manufacturer, distributor, direct-buying retailer, vending machine operator, or buyer may not operate in another capacity unless the appropriate license for it is first secured. Each license shall be exhibited at the place of business for which it is issued and in the manner prescribed by the department. (§ 4 ch 187 SLA 1955)

State Government
Title 44

reference. — For present covering the subject matter of section, see AS 43.05.240.

Editor's note. — The repealed section derived from § 13, ch. 187, SLA 1955.

43.50.120. Lien.

repealed by § 4 ch 94 SLA 1976.

reference. — For present covering the provisions of the section, see AS 43.10.035.

Editor's note. — The repealed section derived from § 14, ch. 187, SLA 1955.

43.50.130. Records: (a) Every licensee shall keep a complete and true record of all cigarettes manufactured, purchased, or acquired. Records, except in the case of a manufacturer, shall include a written statement containing the name and address of the seller and the buyer, the date of delivery, the quantity of cigarettes, the trade name and brand, and the price paid for each brand of cigarettes sold. The licensee shall keep such other records as the department requires. All statements and records required by this section shall be in the form prescribed by the department, shall be preserved for three years, and shall be offered for inspection upon demand by the department.

No licensee may issue or accept a written statement which falsely states the name of the customer, the type of merchandise, the price, the quantity, or the terms of sale.

Where an invoice is given or accepted by a licensee (1) a statement which makes the invoice a false record of the transaction may not be included in the invoice; and (2) a statement which should be included in the invoice may not be omitted from the invoice if the invoice does not contain the transaction involved without the statement.

An invoice for the sale of cigarettes given or accepted by a licensee under § 10 — 180 of this chapter shall state whether the tax imposed under § 9 — 180 of this chapter has been paid. (§ 15 ch 187 SLA 1955)

reference. — 53 C.J.S. Licenses

43.50.140. Disposition of proceeds. The proceeds derived from the payment of taxes, fees, and penalties, provided for under §§ 10 — 180 of this chapter, and the license fees received by the department shall be deposited into a state fund entitled "School Fund," and shall be used solely to rehabilitate, construct, and repair the state's school buildings and for costs of insurance on buildings comprising school buildings during the rehabilitation, construction, and repair, and for the repair of the buildings. (§ 16 ch 187 SLA 1955)

Provisions relating to expenditure of tobacco funds — In order to insure that tobacco funds are used most effectively as a part of major rehabilitation, construction, and major repair projects, the department shall ensure that expenditures from such

funds be made only after study and concurrence by the city school board, the city council, and the commissioner of education (now Department of Education). 1962 Op. Att'y Gen., No. 24.

Title 44
State Government

CHAPTER 36.
CIGARETTE TAX ADMINISTRATION

Section

10. Cigarette tax distribution

4 AAC 36.010. CIGARETTE TAX DISTRIBUTION. (a) The term "rehabilitation, construction, and repair" of school facilities, as used in the Cigarette Tax Act, refers to major repair projects, and cigarette tax funds may not be used for projects which are properly considered as normal operating and maintenance expenses of the school districts. The commissioner has discretion to disapprove expenditures which he determines should not be made from cigarette tax funds.

(b) Purchase of equipment shall not be approved unless it is in connection with a construction or major repair or rehabilitation project. Prior approval, by the commissioner, of the projects shall be obtained if reasonable question appears as to whether or not they may be approved.

(c) For distribution, cigarette tax moneys are divided into two major divisions

(1) the regional educational attendance area districts' share is determined by the ratio between the average daily membership in all regional educational attendance area districts and the average daily membership for all school districts in the state;

(2) the share for city and borough school districts is determined by deducting the regional educational attendance area districts' share, determined under (1) of this subsection, from the total tax. Each district will receive a portion of this share in accordance with the following formula:

$$C_a = \frac{C_s - E_s}{2}$$

$$C_p = \frac{C_s - E_s}{2}$$

$$C_i = \frac{C_a}{A_t} \times A_i + \frac{C_p}{P_t} \times P_i + E_i$$

C Cigarette tax
s Participating school districts

- A Average daily membership
- E Basic allotment or equalization fund
- I Any individual school district
- Cs Total state cigarette tax allocated to school districts
- Cl Any individual district's share of cigarette tax
- At Total ADM in participating school districts
- Pt Total professional workers in participating district schools
- Cp Portion of total tax to be allotted on basis of professional workers
- Pl Number professional workers in any individual school district
- Ei Basic allotment of \$3,000 per year to each participating school district
- Ca Portion of cigarette tax to be allotted on basis of ADM

(d) Other conditions:

(1) Collection periods run from July 1 to June 30, inclusive, of each year. Distribution is based on the total sum available in each collection period;

(2) To be eligible to participate in a distribution for a given collection period, the applicant shall meet the following requirements:

(A) A district must have been in operation as a district school for the entire collection period for which distribution is sought;

(B) Within 21 days following the closing of the collection period, all participating districts must submit to the commissioner a "Letter of Application" on forms to be provided by the commissioner. The "Letter of Application" shall include a full explanation of the intended use of cigarette tax funds or justification of the need of the funds;

(C) All district which have had a previous distribution shall submit within 45 days following the closing of the collection period, a complete "Statement of Expenditures," on forms to be provided by the commissioner. Assurance must be given that state and local sales taxes, and federal transportation, long distance, or telegram taxes were not paid;

(D) Income derived from the investment of cigarette tax funds shall become cigarette tax funds and shall be accounted for in the same manner;

(E) All districts shall submit any other reports on cigarette tax funds as may be prescribed from time to time by the commissioner;

(3) Repealed 5/10/78;

(4) All cigarette tax disbursements shall be made only upon the specific authorization of the local school board and the minutes of the board shall include a listing of the expenditures as approved. Custody of cigarette tax funds is the responsibility of the school board and funds shall not be turned over to any other body unless a specific obligation must be met;

(5) Each district school shall maintain a separate bank account for cigarette tax moneys and shall file with the commissioner the name of the cigarette tax account and the name of the bank in which the account is kept;

(6) If a district school disincorporates, any unobligated balance owed to or remaining in their cigarette tax account shall be forwarded to the commissioner to be deposited to the cigarette tax fund and shall be included in the funds of the collection period in which returned;

(7) The average daily membership of schools operated under contract for the department is not included for the purpose of determining a district's cigarette tax share. (In effect before 7/28/59; rewrite (no changes made concerning intent) 4/17/68, Reg. 24; am 5/10/78, Reg. 66)

Authority: AS 43.50.140
AS 14.07.020(1)

CHAPTER 39.

DIPLOMAS UNDER SPECIAL CONDITIONS

Article

- 1. Eighth Grade and Adult Education Diplomas (4 AAC 29.010-4 AAC 29.040)
- 2. High School Equivalency Test (4 AAC 29.110-4 AAC 29.190)

ARTICLE 1.

EIGHTH GRADE AND ADULT EDUCATION DIPLOMAS

Section

- 10. (Repealed)
- 20. (Repealed)
- 30. (Repealed)
- 40. Delegation of authority to issue diplomas in connection with adult education programs

4 AAC 39.010. VETERANS. Repealed 12/30/77.

4 AAC 39.020. SPECIAL EXAMINATIONS. Repealed 3/1/78.

4 AAC 39.030. EIGHTH GRADE DIPLOMAS. Repealed 5/10/78.

4 AAC 39.040. DELEGATION OF AUTHORITY TO ISSUE DIPLOMAS IN CONNECTION WITH ADULT EDUCATION PROGRAMS. District school boards offering secondary education programs for adults may issue certificates of completion or diplomas provided the program standards for graduation meet those prescribed by the commissioner. (In effect before 7/28/59; am 9/24/65, Reg. 24; am 10/14/68, Reg. 27)

Authority: AS 14.07.060
AS 44.27.020(1)

ARTICLE 2.

HIGH SCHOOL EQUIVALENCY TEST

Section

- 110. High school equivalency test
- 120. Eligibility
- 130. Official test sites
- 140. State GED program office

FEB 28 1983



Matanuska-Susitna Borough

BOX B. PALMER, ALASKA 99645 • PHONE 745-4801

DEPARTMENT OF ADMINISTRATION

February 24, 1983

Mae Tischer, Chairman
House Committee on Health & Social Services
Pouch V
Juneau, AK 99811

RE: HB 137 Supplemental Appropriation for School Debt
Reimbursement

Dear Ms. Tischer:

I appreciate the opportunity to spend time with you on HB 137 providing for a supplemental appropriation for debt reimbursement. Would you share this letter with the members of your committee.

The Matanuska-Susitna Borough will have a school bond election on April 12, 1983 for a \$20 million bond issue for construction of a new elementary school north and west of Wasilla and for renovation of the Palmer Junior High School, which was constructed in 1954.

We want to tell the voters how much this bond issue will cost them assuming that they have a \$100,000 house, assuming a 10 or 20 year term, assuming present day interest rates, and assuming State reimbursement of school debt principal and interest at 90% as provided in HB 279, passed by the last session of the Legislature.

We believe that the voters are entitled to know how much the State will be paying for construction of schools in organized school districts and how much local taxpayers will be paying. We have always given voters this type of information with the expectation that it could be relied upon and, up until this last year, we have given voters information upon the basis of which they could make an informed choice. We thought we gave the voters reliable information on the last bond issue of about \$15 million, but as it turned out we were pretty far off.

There was a sudden unexpected and unprecedented change in State policy toward school construction for this current fiscal year, which I think was based upon mistaken projections of school debt reimbursement requirements. The effect of this short-funding with respect to the recently incurred \$15 million of school bonded indebtedness is \$605,249 and the effect on previously incurred debt is \$705,820 for a total shortfall of \$1,311,069. The new debt, which will cause an unexpected increase in mill levy of about .6 mills, was funded at approximately 64% instead of the statutory 90%, and the old debt was funded at about 70% instead of the statutory 80%. The total effect of the short-funding on

our mill levy is approximately 1.3 mills since 1 mill raises about one million dollars in this Borough. Our current areawide mill levy is 4.9 so an unexpected 1.3 mill increase due to shortfunding affects our mill levy by about 25%.

I think that we were honest and reasonable in telling the voters what to expect when the last bond issue was put to a vote. I have been familiar with a history of state support for education going back into territorial days. Even though new State programs and other State programs have been phased out or reduced, there has been a consistency of support for education among the territorial legislatures and the State legislatures which I think we can be very proud of. I have seen the number of Anchorage schools increase from four in 1951 to 64 today, with very little double shifting over the years. In this Borough, we are going to have to build an average of about 1.5 schools a year if we are going to continue to see an 800 plus increase in students per year. We don't want to complain about the rapid increase in population in students that we have been experiencing. We want to solve these problems of growth in a responsible and consistent manner and we want to know what the ground rules are. We have not asked for 100% financing of new school buildings, because we are willing to shoulder a portion of the burden ourselves. So we are not asking for special treatment, or, for that matter, even treatment equal to that received by those who obtain 100% financing of new schools. We are asking for consistency and predictability in State school financing and believe that this ought to be a bedrock of State fiscal policy.

So, we do believe that HB 137 is a bill that fiscal conservatives ought to support as a matter of principle. We want to make good on our word because we think property taxpayers are entitled to accurate information.

I hope that the State HESS Committee will report out the bill with a strong and unanimous yes vote. Please let me know if you will have a teleconference on the bill.

Sincerely,

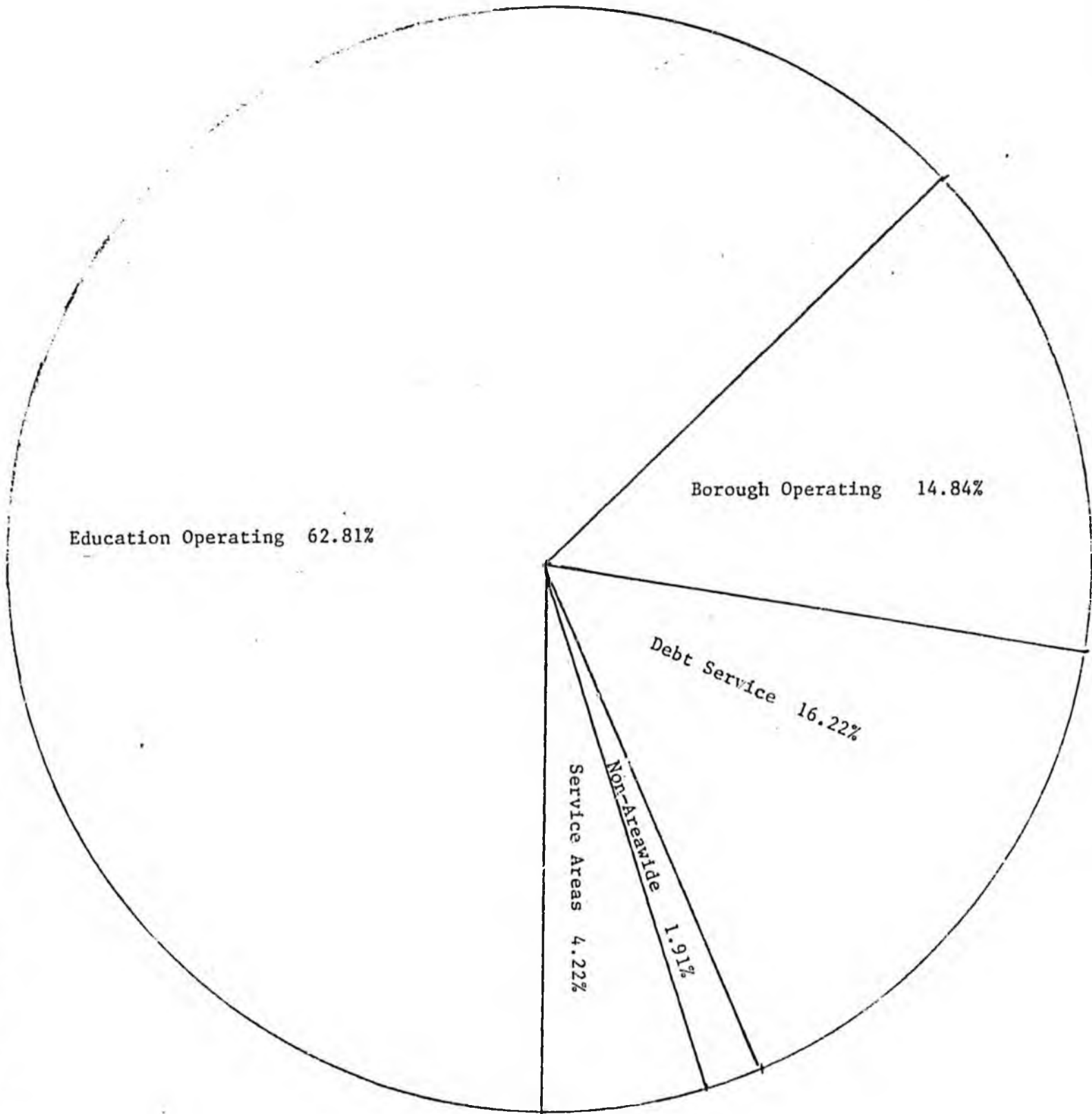


Gary Thurlow
Borough Manager

GT/clm

BUDGETED EXPENDITURES

FISCAL YEAR 1983



Alaska MUNICIPAL League

TELEPHONES
(907) 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

March 2, 1983

to: House HESS Committee
from: Ginny Chitwood, AML Executive Director G.C.
re: HB 137 - School Debt Supplemental Funding

The Alaska Municipal League supports HB 137 - Supplemental Appropriation for State Aid for the Retirement of School Construction Debt.

Several years ago the Legislature developed this program to reduce the inequities between the REAA's, where the state pays 100% of school construction costs and the municipal school districts, where the local taxpayers were footing the bill. The original program provided for a 80% reimbursement on a two-year time delay. Over the years, changes have been made, including giving the Department of Education plan approval authority and raising the percentage of reimbursement to 100% for payments on debt issued before July 1, 1977.

Last session, two other changes were made to the program. In order to partially alleviate the cash flow problems in rapidly growing areas that were caused by the two-year time delay in reimbursements, the program was modified last year to phase in a current year reimbursement program, providing for current year reimbursements of payments on debt issued after December 31, 1981. The other change made last year raised the percentage of reimbursement from 80% to 90% on debt issued after July 1, 1977.

The shortfall in FY 83 funding for this program was the result of two factors: incorrect application of tobacco tax receipts to this program and underestimation of the funding requirements for the current year reimbursement program. These problems should not reoccur because the tobacco tax issue has been clarified and the bugs should be worked out implementing the new section of the program.

MEMORANDUM

State of Alaska

TO: Members, State Board of Education

DATE: December 30, 1982

FILE NO: 83-89.2

TELEPHONE NO: 465-2800

FROM: 
Office of the Commissioner

SUBJECT: FY 83 Debt Retirement
Supplemental Request for post
December 31, 1981 Indebtedness

ABSTRACT

Funds appropriated by the last legislature are insufficient to cover all claims for reimbursement under AS 43.16.100(a)(4), (current year reimbursement of school construction debt retirement payments).

ISSUE

Last year the legislature enacted legislation, (Chapter 92, SLA 1982), which provided for reimbursement to municipalities for school construction debt retirement payments in the same year in which they are made, rather than two years after they are made. The appropriation, based on the Alaska Municipal League estimate of FY 83 claims under this new program, was \$13,466.4. Actual claims total \$18,988.4, leaving the account (\$5,522.0) short.

COMMISSIONER'S RECOMMENDATION

It is recommended that the Board concur with this request.

7-6

Chp. 92 51A 82
(HB 279)

State and for school construction
diff retirement.

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1	11934	8371	4924	12444	652	1144.5	4559719	4103727	2910335	2910222	19134
2	8371	4924	12444	652	1144.5	4559719	4103727	2910335	2910222	19134	19134
3	4924	12444	652	1144.5	4559719	4103727	2910335	2910222	19134	19134	19134
4	12444	652	1144.5	4559719	4103727	2910335	2910222	19134	19134	19134	19134
5	652	1144.5	4559719	4103727	2910335	2910222	19134	19134	19134	19134	19134
6	1144.5	4559719	4103727	2910335	2910222	19134	19134	19134	19134	19134	19134
7	4559719	4103727	2910335	2910222	19134	19134	19134	19134	19134	19134	19134
8	4103727	2910335	2910222	19134	19134	19134	19134	19134	19134	19134	19134
9	2910335	2910222	19134	19134	19134	19134	19134	19134	19134	19134	19134
10	2910222	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
11	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
12	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
13	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
14	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
15	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
16	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
17	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
18	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
19	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
20	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
21	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
22	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
23	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
24	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
25	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
26	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
27	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
28	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
29	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134
30	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134	19134

\$ 5,522,000

Difference in amounts

Grand Total @ 70.9190

100% 13,416,400

Total

21098354 18928428 13446400 4483924

MEMORANDUM

State of Alaska

TO: Members, State Board of Education

DATE: December 30, 1982

FILE NO: 83-89.1

TELEPHONE NO: 465-2800

FROM: Office of the Commissioner

SUBJECT: FY 83 Debt Retirement
Supplemental Request for pre
December 31, 1981 Indebtedness

ABSTRACT

Funds appropriated by the last legislature are insufficient to cover all claims for reimbursement under AS 43.18.100 (school construction debt retirement payments).

ISSUE

The department requested \$44,103.3 for FY 83 debt retirement reimbursement claims under AS 43.18.100(a)(1)-(3), the two year lag reimbursement program. The legislature appropriated 36,203.3, assuming that that amount, in conjunction with the \$7,000.0 appropriated in the Cigarette Tax category, would comprise a total sufficient to meet all claims. Actual claims for reimbursement for FY 83 total \$43,781.0, and since the Cigarette Tax appropriation must be separate from the debt retirement appropriation, the debt retirement appropriation is \$7,577.7 short.

BACKGROUND AND/OR PERTINENT INFORMATION

Because Cigarette Tax revenues are dedicated for school rehabilitation and renovation projects, there is a tendency to confuse them with school construction debt service payments reimbursement. However, debt retirement reimbursement is made on the basis of claims for payment, and Cigarette Tax revenues are disbursed on an entitlement basis, e.g., not every city and borough district has bonds eligible for debt retirement reimbursement, but all city and borough districts are entitled to receive Cigarette Tax payments. Therefore, the two appropriations must be distributed separately. Because of this distinction, only the actual appropriation for debt retirement could be used to pay the claims for reimbursement leaving a shortfall of 7,577.7 in that account.

COMMISSIONER'S RECOMMENDATION

It is recommended that the Board concur with this request. 25

Sample - Retirement

STATE OF ALASKA
DEPARTMENT OF EDUCATION
STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT
1982-83

Difference (shortfall)
7,577,662

(1) + (3) + (5) = (6) - (7) = (8) - (9)

1 District	Debt Service at 100% Prior 7-1-77	Debt Service at 100% After 7-1-77	90% of Debt Service	Cash Payments 1980-81	90% of Cash Payment	Debt Service Plus Cash Payment	Leas Cig. Tax FY 80-81	Total Entitlement Due	Prorated @32.6919%
Age	10,978,437	1,595,620	1,436,058	319,027	287,124	12,701,619	855,623	11,845,996	9,795,671
ol Bay	-0-	320,071	288,064	-0-	-0-	288,064	10,449	277,615	229,561
va	120,528	-0-	-0-	-0-	-0-	120,528	17,693	102,835	85,031
	-0-	-0-	-0-	-0-	-0-	-0-	9,494	-0-	-0-
ingham	-0-	-0-	-0-	377,929	340,136	340,136	16,323	323,813	267,761
anks	4,663,659	-0-	-0-	-0-	-0-	4,663,659	240,689	4,422,970	3,657,431
n	-0-	-0-	-0-	58,766	52,889	52,889	9,420	43,469	35,941
s	95,106	-0-	-0-	-0-	-0-	95,106	16,561	78,545	64,950
h	-0-	-0-	-0-	-0-	-0-	-0-	11,480	-0-	-0-
arg	-0-	-0-	-0-	-0-	-0-	-0-	6,451	-0-	-0-
u	774,901	-0-	-0-	-0-	-0-	774,901	108,394	666,507	551,141
	-0-	-0-	-0-	-0-	-0-	-0-	10,047	-0-	-0-
	2,550,949	2,604,449	2,344,004	923,757	831,381	5,726,334	164,826	5,561,508	4,598,911
ikan	521,722	-0-	-0-	218,513	196,662	718,384	71,198	647,186	535,161
cove	-0-	-0-	-0-	-0-	-0-	-0-	8,174	-0-	-0-
ck	-0-	-0-	-0-	-0-	-0-	-0-	5,793	-0-	-0-
k	433,521	-0-	-0-	99,863	89,877	523,398	65,784	457,614	378,401
u	2,783,850	1,577,127	1,419,414	-0-	-0-	4,203,264	125,290	4,077,974	3,372,154
	21,980	-0-	-0-	-0-	-0-	21,980	10,547	11,433	9,454
	-0-	-0-	-0-	60,000	54,000	54,000	28,441	25,559	21,131
Slopa	7,656,975	3,508,038	3,157,234	-0-	-0-	10,814,209	47,123	10,767,086	8,903,507
nn	-0-	-0-	-0-	-0-	-0-	-0-	4,779	-0-	-0-
burg	495,114	-0-	-0-	142,089	127,800	622,994	20,322	602,672	498,361
Point	-0-	-0-	-0-	-0-	-0-	-0-	7,684	-0-	-0-
	436,950	-0-	-0-	388,560	349,704	786,654	50,873	735,781	608,431
	34,906	-0-	-0-	-0-	-0-	34,906	9,164	25,742	21,286
's	-0-	-0-	-0-	-0-	-0-	-0-	8,424	-0-	-0-
	-0-	-0-	-0-	-0-	-0-	-0-	-0	-0-	-0-
ka	-0-	-0-	-0-	-0-	-0-	-0-	9,145	-0-	-0-
z	1,474,175	1,670,546	1,503,491	94,574	85,117	3,062,783	27,425	3,035,358	2,509,995
oll	-0-	98,233	88,410	-0-	-0-	88,410	17,111	71,299	58,958
ut	-0-	-0-	-0-	-0-	-0-	-0-	8,473	-0-	-0-
S	33,042,773	11,374,084	10,236,675	2,683,078	2,414,770	45,694,218	2,003,200	43,780,962	36,203,300

entitlement

pymts. made

90% of actual pymt.

cash pymt

90% of pymt

(1) - (9)

FY-83

HB-137 DISTRIBUTION

	<u>Pre 12-31-81</u>	<u>Post 12-31-81</u>	<u>Total</u>
Anchorage	2,050,317	1,193,412	3,243,729
Bristol Bay	48,050	-0-	48,050
Cordova	17,799	-0-	17,799
Craig	-0-	-0-	-0-
Dillingham	56,046	-0-	56,046
Fairbanks	765,533	837,075	1,602,608
Galena	7,524	-0-	7,524
Haines	13,595	-0-	13,595
Hoonah	-0-	-0-	-0-
Hydaburg	-0-	-0-	-0-
Juneau	115,350	492,411	607,771
Kake	-0-	-0-	-0-
Kenai	962,592	1,244,420	2,207,012
Ketchikan	112,017	-0-	112,017
King Cove	-0-	-0-	-0-
Klawock	-0-	-0-	-0-
Kodiak	79,205	-0-	-0-
Mat-Su	705,820	605,249	1,311,069
Nenana	1,979	-0-	1,979
Nome	4,424	-0-	4,424
North Slope	1,863,579	1,149,461	3,013,040
Pelican	-0-	-0-	-0-
Petersburg	104,312	-0-	104,312
Sand Point	-0-	-0-	-0-
Sitka	127,350	-0-	127,350
Skagway	4,456	-0-	4,456
St. Mary's	-0-	-0-	-0-
Tanana	-0-	-0-	-0-
Unalaska	-0-	-0-	-0-
Valdez	525,363	-0-	525,363
Wrangell	12,341	-0-	12,341
Yakutat	-0-	-0-	-0-
TOTAL	7,577,662	5,522,028	13,099,690

↓
 Shortfall from
 unavailability of
 cig. tax revenues

↓
 FY83 estimate
 was 13,466,4 -
 actual was
 18,988 = difference
 of 5.522.

(Claims for debt)
 Retirement

↓
 Total Request
 HB 137 = 13.1 mill

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB-137
 Title An Act making a supplemental appropriation to the
 Requested by House HESS Date 2/8/83

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Elementary and Secondary
 BRU, Program, Or Subprogram(s) Affected Debt Retirement, Local
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	13,100.0					
TOTAL	13,100.0					

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND	13,100.0					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

N/A

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE 2/8/83 PREPARED BY Steve Hole
 AGENCY Education
 Original: Legislative Finance PHONE 465-2865
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

SELECT - QUERY

00001 ALL SECTION EQ 43.18.100

AS43.18.100 DOCUMENT# 1 OF 1

CHAPTER = 43.18
SECTION = 43.18.100
TITLE = 43

HEADINGS TITLE 43.
REVENUE AND TAXATION.
CHAPTER 18.
STATE AID TO LOCAL GOVERNMENTS.
ARTICLE 2.
AID FOR SCHOOL CONSTRUCTION.

CITATION SEC. 43.18.100.

CATCH LINE

STATE AID FOR RETIREMENT OF SCHOOL CONSTRUCTION DEBT.

TEXT

(A) DURING EACH FISCAL YEAR, THE STATE SHALL ALLOCATE TO A MUNICIPALITY THAT IS A SCHOOL DISTRICT, THE FOLLOWING SUMS:

(1) PAYMENTS MADE BY THE MUNICIPALITY DURING THE FISCAL YEAR TWO YEARS EARLIER FOR THE RETIREMENT OF PRINCIPAL AND INTEREST ON OUTSTANDING BONDS, NOTES OR OTHER INDEBTEDNESS INCURRED BEFORE JULY 1, 1977 TO PAY COSTS OF SCHOOL CONSTRUCTION;

(2) 90 PERCENT OF

(A) PAYMENTS MADE BY THE MUNICIPALITY DURING THE FISCAL YEAR TWO YEARS EARLIER FOR THE RETIREMENT OF PRINCIPAL AND INTEREST ON OUTSTANDING BONDS, NOTES OR OTHER INDEBTEDNESS INCURRED AFTER JUNE 30, 1977 AND BEFORE JULY 1, 1978 TO PAY COSTS OF SCHOOL CONSTRUCTION;

(B) CASH PAYMENTS MADE AFTER JUNE 30, 1976 AND BEFORE JULY 1, 1978 BY THE MUNICIPALITY DURING THE FISCAL YEAR TWO YEARS EARLIER TO PAY COSTS OF SCHOOL CONSTRUCTION;

(3) 90 PERCENT OF

(A) PAYMENTS MADE BY THE MUNICIPALITY DURING THE FISCAL YEAR TWO YEARS EARLIER FOR THE RETIREMENT OF PRINCIPAL AND INTEREST ON OUTSTANDING BONDS, NOTES OR OTHER INDEBTEDNESS INCURRED AFTER JUNE 30, 1978 AND BEFORE JANUARY 1, 1982 TO PAY COSTS OF SCHOOL CONSTRUCTION PROJECTS APPROVED UNDER AS 14.07.020(11);

(B) CASH PAYMENTS MADE AFTER JUNE 30, 1978 AND BEFORE JULY 1, 1982 BY THE MUNICIPALITY DURING THE FISCAL YEAR TWO YEARS EARLIER TO PAY COSTS OF SCHOOL CONSTRUCTION PROJECTS APPROVED UNDER AS 14.07.020(11);

(4) SUBJECT TO (H) AND (I) OF THIS SECTION 90 PERCENT

OF

(A) PAYMENTS MADE BY THE MUNICIPALITY DURING THE CURRENT FISCAL YEAR FOR THE RETIREMENT OF PRINCIPAL AND INTEREST ON OUTSTANDING BONDS, NOTES OR OTHER INDEBTEDNESS INCURRED AFTER DECEMBER 31, 1981 TO PAY COSTS OF SCHOOL CONSTRUCTION, ADDITIONS TO SCHOOLS, AND MAJOR REHABILITATION PROJECTS THAT EXCEED \$25,000 AND ARE APPROVED UNDER AS 14.07.020(11); AND

(B) CASH PAYMENTS MADE AFTER JUNE 30, 1982 BY THE MUNICIPALITY DURING THE FISCAL YEAR TWO YEARS EARLIER TO

PAY COSTS OF SCHOOL CONSTRUCTION, ADDITIONS TO SCHOOLS, AND MAJOR REHABILITATION PROJECTS THAT EXCEED \$25,000 AND ARE APPROVED UNDER AS 14.07.020(11).

(B) THE COMMISSIONER SHALL ADMINISTER THE PROGRAM OF REIMBURSEMENT AUTHORIZED UNDER THIS SECTION AND SHALL PROVIDE BY REGULATION FOR THE FILING OF APPLICATIONS FOR REIMBURSEMENT, THE FORM OF PROOF OF COSTS FOR WHICH APPLICATION FOR REIMBURSEMENT IS MADE, AND OTHER REGULATIONS NECESSARY TO ADMINISTER THE PROGRAM. THE COMMISSIONER SHALL EXCLUDE FROM THE TOTAL SCHOOL CONSTRUCTION COST OF THE LOCAL DISTRICT ALL STATE AND FEDERAL FUNDS INCLUDED IN THESE COSTS EXCEPT FUNDS PROVIDED UNDER THIS SECTION AND AS 43.50.140. IN APPROVING APPLICATIONS FOR REIMBURSEMENT, THE COMMISSIONER SHALL

(1) OFFSET AGAINST THE AMOUNT OF REIMBURSEMENT AUTHORIZED THE AMOUNT OF ANY FUNDS DISTRIBUTED TO THE BOROUGH OR CITY IN THE SECOND PRECEDING FISCAL YEAR FROM THE SCHOOL FUND PROVIDED FOR IN AS 43.50.140;

(2) REPEALED BY SEC. 10 CH 92 SLA 1982.

(C) THE SCHOOL CONSTRUCTION ACCOUNT IS ESTABLISHED. FUNDS TO CARRY OUT THE PROVISIONS OF THIS SECTION MAY BE APPROPRIATED ANNUALLY BY THE LEGISLATURE TO THE ACCOUNT. IF AMOUNTS IN THE ACCOUNT ARE INSUFFICIENT FOR THE PURPOSE OF PROVIDING THE SHARE TO WHICH A BOROUGH OR CITY IS ENTITLED UNDER THIS SECTION, THOSE FUNDS THAT ARE AVAILABLE SHALL BE DISTRIBUTED PRO RATA AMONG THE ELIGIBLE LOCAL GOVERNMENTS.

(D) MONEY IN THE SCHOOL CONSTRUCTION ACCOUNT WHICH, AT THE END OF THE FISCAL YEAR FOR WHICH THE MONEY IS APPROPRIATED, EXCEEDS THE AMOUNT REQUIRED FOR THE ALLOCATIONS AUTHORIZED IN THIS SECTION REVERTS TO THE GENERAL FUND.

(E) THE COMMISSIONER SHALL ANNUALLY PROVIDE A REPORT TO THE LEGISLATURE ON ALLOCATIONS OF STATE AID MADE UNDER THIS SECTION, INCLUDING BUT NOT LIMITED TO, THE AMOUNT OF STATE AID PAID ON A PER CAPITA AND PER STUDENT BASIS AND THE RESULTANT EFFECT ON THE RATE OF LEVY OF TAXES BY THE MUNICIPALITY FOR EDUCATIONAL PURPOSES.

(F) REPEALED BY SEC. 17 CH 147 SLA 1978.

(G) IN THIS SECTION, UNLESS THE CONTEXT REQUIRES OTHERWISE,

(1) "COMMISSIONER" MEANS THE COMMISSIONER OF EDUCATION;

(2) "COSTS OF SCHOOL CONSTRUCTION" MEANS THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, REPAIRING, REMODELING, EQUIPPING OR FURNISHING OF PUBLIC ELEMENTARY AND SECONDARY SCHOOL BUILDINGS AND INCLUDES THE SUM TOTAL OF ALL COSTS OF FINANCING AND CARRYING OUT THE PROJECT; THESE INCLUDE, BUT ARE NOT LIMITED TO, THE COSTS OF ALL NECESSARY STUDIES, SURVEYS, PLANS AND SPECIFICATIONS, ARCHITECTURAL, ENGINEERING OR OTHER SPECIAL SERVICES, ACQUISITION OF REAL PROPERTY, SITE PREPARATION AND DEVELOPMENT, PURCHASE, CONSTRUCTION, RECONSTRUCTION AND IMPROVEMENT OF REAL PROPERTY AND THE ACQUISITION OF MACHINERY AND EQUIPMENT AS MAY BE NECESSARY IN CONNECTION WITH THE PROJECT, AN ALLOCABLE PORTION OF THE ADMINISTRATIVE AND OPERATING EXPENSES OF THE GRANTEE, THE COST OF FINANCING THE PROJECT, INCLUDING INTEREST ON BONDS ISSUED TO FINANCE THE PROJECT; AND THE COST OF OTHER ITEMS, INCLUDING ANY INDEMNITY AND SURETY BONDS AND PREMIUMS ON INSURANCE, LEGAL FEES, FEES AND EXPENSES OF TRUSTEES, DEPOSITARIES, FINANCIAL ADVISORS, AND PAYING AGENTS FOR THE

BONDS ISSUED AS THE ISSUER CONSIDERS NECESSARY.

(H) AN ALLOCATION UNDER (A)(4) OF THIS SECTION FOR SCHOOL CONSTRUCTION BEGUN AFTER JULY 1, 1982, SHALL BE REDUCED BY THE AMOUNT OF MONEY USED FOR THE CONSTRUCTION OF RESIDENTIAL SPACE, HOCKEY RINKS, PLANETARIUMS, SAUNAS, AND OTHER FACILITIES FOR SINGLE PURPOSE SPORTING OR RECREATIONAL USES THAT ARE NOT SUITABLE FOR OTHER ACTIVITIES. AN ALLOCATION UNDER (A)(4) OF THIS SECTION MAY NOT BE REDUCED BY THE AMOUNT OF MONEY USED FOR CONSTRUCTION OF A SMALL SWIMMING POOL, TANK, OR WATER STORAGE FACILITY USED FOR WATER SPORTS. HOWEVER, AN ALLOCATION SHALL BE REDUCED BY THE DIFFERENCE BETWEEN THE AMOUNT OF MONEY USED TO CONSTRUCT A SWIMMING POOL THAT IS COMPETITION SIZE OR LARGER AND THE AMOUNT OF MONEY THAT WOULD HAVE BEEN USED TO CONSTRUCT A SMALL SWIMMING POOL, TANK, OR WATER STORAGE FACILITY, AS DETERMINED BY THE COMMISSIONER.

(I) FOR THE PURPOSES OF (A)(4) OF THIS SECTION

- (1) AN INDEBTEDNESS FOR BONDS IS INCURRED AFTER THE BONDS ARE SOLD;
- (2) REIMBURSEMENT FOR A CASH PAYMENT MAY ONLY BE MADE AFTER THE PAYMENT IS MADE TO A VENDOR; AND
- (3) PAYMENTS MAY NOT BE MADE FOR COSTS THAT ARE INCURRED UNDER A CONTRACT AFTER THE CONTRACT HAS BEEN RELEASED.

HISTORY (SEC. 1 CH 249 SLA 1970; AM SEC. 1 CH 93 SLA 1971; AM SEC. 2 CH 137 SLA 1972; AM SEC. 1 CH 28 SLA 1973; AM SEC. 47 CH 127 SLA 1974; AM SECS. 1 - 3 CH 120 SLA 1977; AM SECS. 12, 17 CH 147 SLA 1978; AM SEC. 25 CH 168 SLA 1978; AM SECS. 8 - 10 CH 92 SLA 1982)

R0601 * END) OF DOCUMENTS IN LIST - ENTER RETURN OR ANOTHER COMMAND.

Linda please send a message to the Finance with HB 137 & indicate there is a potential problem that I foresee & that is accelerated rate payback of indebtedness
i.e. — Presently the payback may range from 10-20 years. There is a trend for a shorter payback schedule like 3-6 years, which may increase the problem we are addressing ~~by~~ⁱⁿ HB 137. I hasten to point out that interest ~~payments~~ payments would drop significantly & would therefore save money but that short payback schedule would require larger funds in shorter period of time.

Do you want this to go as a letter of intent — if so — the committee must vote on it. no, just a regular memo to al. as a comment of concern.

MEMORANDUM

TO: Rep. Al Adams, Chairman
House Finance Committee

DATE: March 3, 1983

FROM: Rep. Mae Tischer, Co-Chairperson
House HESS Committee

RE: HB 137

The House HESS Committee has passed out HB 137 with a do pass recommendation. During the discussion in regard to the supplemental appropriation for state aid for the retirement of school construction debt, the Committee focused briefly on the concern of a potential problem in the accelerated rate of reimbursements for indebtedness annually. Presently the payback may range from 10 to 20 years. There is a trend for a shorter payback schedule, possibly 3 to 6 years, which may increase the problem we are attempting to resolve in HB 137. I hasten to point out that interest payments would drop significantly and would therefore save money. However, the same short payback schedule would require larger appropriations in a shorter period of time.

March 2, 1982

Marilyn Simmick - Kenai BORO - endorses passage
shortfall will cost 1.3 mill
2% sales tax for opr. costs of school budget

Rep Larsen - 14 B Dist. Correcting deficiency in approp
bill of last year

- ① disparity - org & unorg areas of state
- ② Responsibility @ local level
- ③ Continues shortfalls of HB 73
- ④ Pre 1978 - 80-20 / Post 1978 90-10

Bill Allen - Ft. Belknap Bor. Mayor - Supp would help
protect bond rating.

Harry Case - Pres. AMU - Rep. Mayor of Juneau & Chair
of June Finance Comm.

- ① Mill levy - 5.2 / not included debt service @ 3.4 mills
- ② HB 137 = $\frac{3}{4}$ of a mill rate to June
- ③ Debt Service - 82-745,900 / 83-2,800 / 84-5,290,
- ④ Sell bonds in excess of 22 mill -
- ⑤ May reciv 8% interest rate

Vern Roberts - Finance - Mat - Su

AMH - G. Chitwood - last yr. legis intent = fully funded. Mistakes ① tobacco tax
② estimates vs. actuals

Steve Hole - DOE

Craig - Klawock - const w/ direct state approp - no local debt incurred

Pyms - July 77-78 - after 78 - dept reqs & act amended

① sq. footage & kinds of facilities -

Chp 92 - ① Excludes rocky units w/le ranges - sq ft purpose types of space

AMH - G. Chitwood - Bill asked ques - pro-ration of avail funds - less able to retire debts - may plans to deal with future lack of funding for debt retirement

- Davis - move bill out -

- Discussion - Larsen - \$8mil for supp approp -

Consti mandate to fund education

① local munis need to know forward funding
② Organized & Unorganized areas of state

- Davis - move out w/ind rec.

Alaska MUNICIPAL League

TELEPHONES
907) 586-1325
586-6526

204 N. FRANKLIN ST.
JUNEAU, ALASKA 99801

March 2, 1983

to: House HESS Committee
from: Ginny Chitwood, AML Executive Director *G.C.*
re: HB 137 - School Debt Supplemental Funding

The Alaska Municipal League supports HB 137 - Supplemental Appropriation for State Aid for the Retirement of School Construction Debt.

Several years ago the Legislature developed this program to reduce the inequities between the REAA's, where the state pays 100% of school construction costs and the municipal school districts, where the local taxpayers were footing the bill. The original program provided for a 80% reimbursement on a two-year time delay. Over the years, changes have been made, including giving the Department of Education plan approval authority and raising the percentage of reimbursement to 100% for payments on debt issued before July 1, 1977.

Last session, two other changes were made to the program. In order to partially alleviate the cash flow problems in rapidly growing areas that were caused by the two-year time delay in reimbursements, the program was modified last year to phase in a current year reimbursement program, providing for current year reimbursements of payments on debt issued after December 31, 1981. The other change made last year raised the percentage of reimbursement from 80% to 90% on debt issued after July 1, 1977.

The shortfall in FY 83 funding for this program was the result of two factors: incorrect application of tobacco tax receipts to this program and underestimation of the funding requirements for the current year reimbursement program. These problems should not reoccur because the tobacco tax issue has been clarified and the bugs should be worked out implementing the new section of the program.

FEB 28 1983



Matanuska-Susitna Borough

BOX B. PALMER, ALASKA 99645 • PHONE 745-4801

DEPARTMENT OF ADMINISTRATION

February 24, 1983

Mae Tischer, Chairman
House Committee on Health & Social Services
Pouch V
Juneau, AK 99811

RE: HB 137 Supplemental Appropriation for School Debt
Reimbursement

Dear Ms. Tischer:

I appreciate the opportunity to spend time with you on HB 137 providing for a supplemental appropriation for debt reimbursement. Would you share this letter with the members of your committee.

The Matanuska-Susitna Borough will have a school bond election on April 12, 1983 for a \$20 million bond issue for construction of a new elementary school north and west of Wasilla and for renovation of the Palmer Junior High School, which was constructed in 1954.

We want to tell the voters how much this bond issue will cost them assuming that they have a \$100,000 house, assuming a 10 or 20 year term, assuming present day interest rates, and assuming State reimbursement of school debt principal and interest at 90% as provided in HB 279, passed by the last session of the Legislature.

We believe that the voters are entitled to know how much the State will be paying for construction of schools in organized school districts and how much local taxpayers will be paying. We have always given voters this type of information with the expectation that it could be relied upon and, up until this last year, we have given voters information upon the basis of which they could make an informed choice. We thought we gave the voters reliable information on the last bond issue of about \$15 million, but as it turned out we were pretty far off.

There was a sudden unexpected and unprecedented change in State policy toward school construction for this current fiscal year, which I think was based upon mistaken projections of school debt reimbursement requirements. The effect of this short-funding with respect to the recently incurred \$15 million of school bonded indebtedness is \$605,249 and the effect on previously incurred debt is \$705,820 for a total shortfall of \$1,311,069. The new debt, which will cause an unexpected increase in mill levy of about .6 mills, was funded at approximately 60% instead of the statutory 90%, and the old debt was funded at about 70% instead of the statutory 80%. The total effect of the short-funding on

our mill levy is approximately 1.3 mills since 1 mill raises about one million dollars in this Borough. Our current areawide mill levy is 4.9 so an unexpected 1.3 mill increase due to shortfunding affects our mill levy by about 25%.

I think that we were honest and reasonable in telling the voters what to expect when the last bond issue was put to a vote. I have been familiar with a history of state support for education going back into territorial days. Even though new State programs and other State programs have been phased out or reduced, there has been a consistency of support for education among the territorial legislatures and the State legislatures which I think we can be very proud of. I have seen the number of Anchorage schools increase from four in 1951 to 64 today, with very little double shifting over the years. In this Borough, we are going to have to build an average of about 1.5 schools a year if we are going to continue to see an 800 plus increase in students per year. We don't want to complain about the rapid increase in population in students that we have been experiencing. We want to solve these problems of growth in a responsible and consistent manner and we want to know what the ground rules are. We have not asked for 100% financing of new school buildings, because we are willing to shoulder a portion of the burden ourselves. So we are not asking for special treatment, or, for that matter, even treatment equal to that received by those who obtain 100% financing of new schools. We are asking for consistency and predictability in State school financing and believe that this ought to be a bedrock of State fiscal policy.

So, we do believe that HB 137 is a bill that fiscal conservatives ought to support as a matter of principle. We want to make good on our word because we think property taxpayers are entitled to accurate information.

I hope that the State HESS Committee will report out the bill with a strong and unanimous yes vote. Please let me know if you will have a teleconference on the bill.

Sincerely,

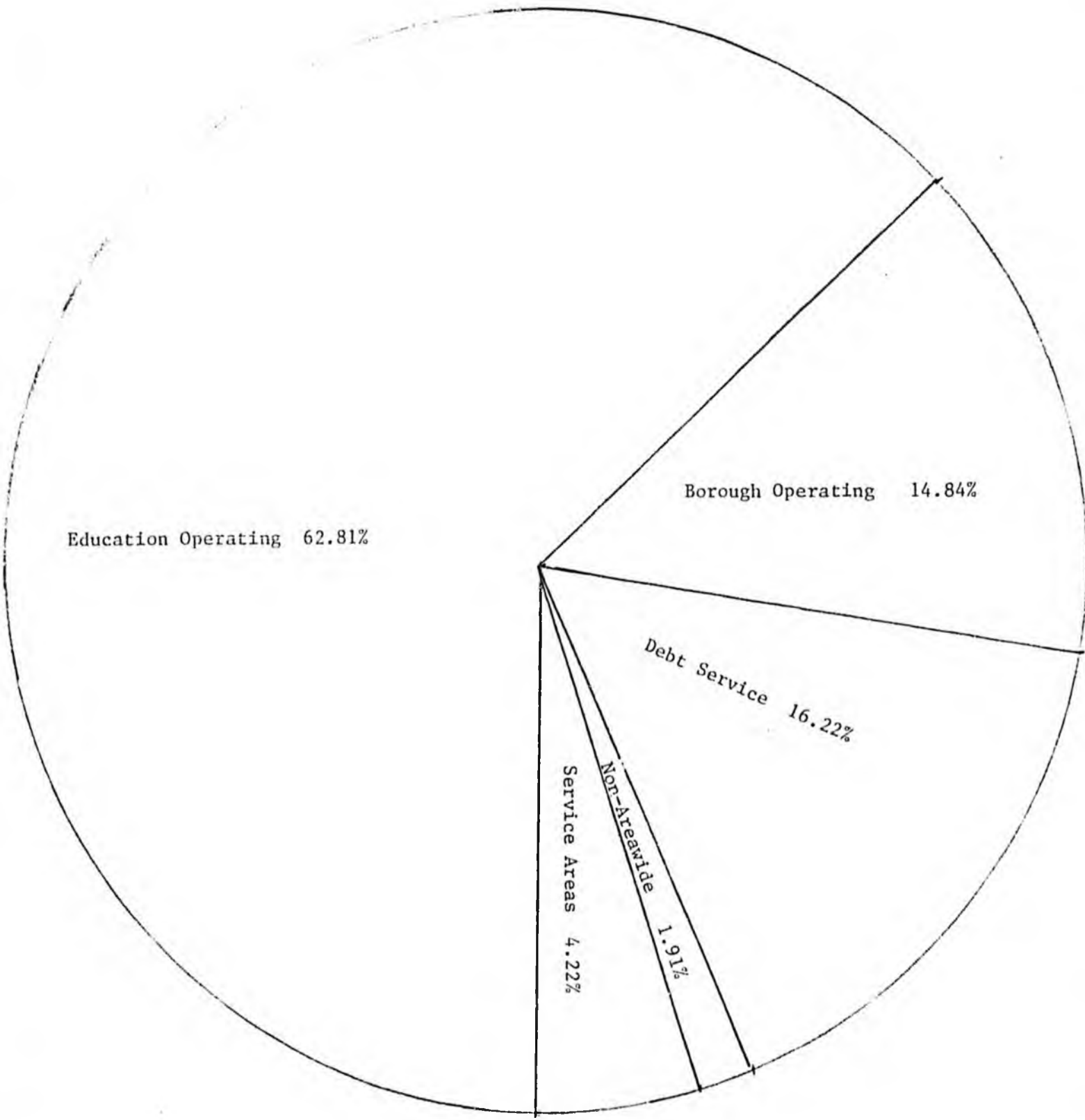


Gary Thurlow
Borough Manager

GT/clm

BUDGETED EXPENDITURES

FISCAL YEAR 1983



MEMORANDUM

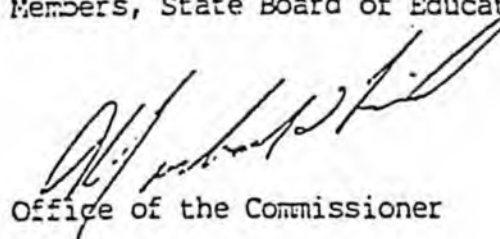
State of Alaska

TO: Members, State Board of Education

DATE: December 30, 1982

FILE NO: 83-89.2

TELEPHONE NO: 465-2800

FROM: 
Office of the Commissioner

SUBJECT: FY 83 Debt Retirement
Supplemental Request for post
December 31, 1981 Indebtedness

ABSTRACT

Funds appropriated by the last legislature are insufficient to cover all claims for reimbursement under AS 43.16.100(a)(4), (current year reimbursement of school construction debt retirement payments).

ISSUE

Last year the legislature enacted legislation, (Chapter 92, SLA 1982), which provided for reimbursement to municipalities for school construction debt retirement payments in the same year in which they are made, rather than two years after they are made. The appropriation, based on the Alaska Municipal League estimate of FY 83 claims under this new program, was \$13,466.4. Actual claims total \$18,986.4, leaving the account (\$5,522.0) short.

COMMISSIONER'S RECOMMENDATION

It is recommended that the Board concur with this request.

76

	13,466,400	100 970	70 970	Original @ 70.9190		Differential in thousands
				Paid	Paid	
Anchorage	4559719	4103747	2910335	2910335		11934
Fairbanks	3198250	2878425	2041350			837.1
Juneau	1881375	1693237	1200826			492.4
H. S. ...	4754612	4279151	3024731	901010		1244.4
Mat-l	2312500	2081250	1476001	622578		605.2
North Slope	4391798	3952618	2803157			1149.5
						<u>\$5,522,000</u>
Totals	21098254	18988428	13466400	4483924		

State aid for school construction
debt retirement.

Chp. 92 SLA 82
(HB 279)

MEMORANDUM

State of Alaska

TO: Members, State Board of Education

DATE: December 30, 1982

FILE NO: 83-89.1

TELEPHONE NO: 465-2800

FROM: Office of the Commissioner

SUBJECT: FY 83 Debt Retirement
Supplemental Request for pre
December 31, 1981 Indebtedness

ABSTRACT

Funds appropriated by the last legislature are insufficient to cover all claims for reimbursement under AS 43.18.100 (school construction debt retirement payments).

ISSUE

The department requested \$44,103.3 for FY 83 debt retirement reimbursement claims under AS 43.18.100(a)(1)-(3), the two year lag reimbursement program. The legislature appropriated 36,203.3, assuming that that amount, in conjunction with the \$7,000.0 appropriated in the Cigarette Tax category, would comprise a total sufficient to meet all claims. Actual claims for reimbursement for FY 83 total \$43,781.0, and since the Cigarette Tax appropriation must be separate from the debt retirement appropriation, the debt retirement appropriation is \$7,577.7 short.

BACKGROUND AND/OR PERTINENT INFORMATION

Because Cigarette Tax revenues are dedicated for school rehabilitation and renovation projects, there is a tendency to confuse them with school construction debt service payments reimbursement. However, debt retirement reimbursement is made on the basis of claims for payment, and Cigarette Tax revenues are disbursed on an entitlement basis, e.g., not every city and borough district has bonds eligible for debt retirement reimbursement, but all city and borough districts are entitled to receive Cigarette Tax payments. Therefore, the two appropriations must be distributed separately. Because of this distinction, only the actual appropriation for debt retirement could be used to pay the claims for reimbursement leaving a shortfall of 7,577.7 in that account.

COMMISSIONER'S RECOMMENDATION

It is recommended that the Board concur with this request. 25

file

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB-137
 Title An Act making a supplemental appropriation to the
 Requested by House HESS Date 2/8/83

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Elementary and Secondary
 BRU, Program, Or Subprogram(s) Affected Debt Retirement, Local
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.	13,100.0					
TOTAL	13,100.0					

FUNDING (Thousands of Dollars)

GENERAL FUND	13,100.0					
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

N/A

FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE 2/8/83 PREPARED BY Steve Hole
 AGENCY Education
 PHONE 465-2865
 Original: Legislative Finance
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)

HB 279 - removed 2 yr. lag
 raised school debt retirement to 90%

Shortfalls

- cig tax - (2 memos from DOE)

dedicated funds that go to school debt retirement & construction costs - last year Finance used this \$ for something else?

① - Position Paper from G. Chitwood

② - Copy 43.18.100 (a) (4) (1-3)

③ - Copy Chp. 92 SLA 82 - provided for reim to munis for school const - debt retirement, in some years - rather than 2 yr. lag to 90% - post 81?

④ - Find out intentions of Legis. Finance last year - in regard to Chp 92 SLA 82 -

44800 36,140
 43.50.100
 43.18.100
 only dedicated tax

⑤ - legal opinion - division of debt retirement paybacks & dedicated cig tax distribution. (Revenue)
 - Can the Cig Tax be used for debt retirement -

⑥ - Shortfall - \$5,522.0 based on claims appropriated 36,203.3 for FY83
 43,780 - claims for reimbursement
 7,583 - short approx for 83.
 why mis-calculation? ← 5,522 - diff of League est & actuals
 \$13,105 - supp bill.

⑦ Bond Bank - prospective on bonding ationis

⑧

F-1-85

Distribution

Post 12-31-81

H B - 137

Pre 12-31-81

3243,729

1193,412

2050317

Bristol Bay

48,050

—

48,050

Cardona

17,299

—

17,299

Gray

—

—

—

Dillingham

56,046

—

56,046

Fourbucka

1,602,608

837,075

765,533

Galena

7,524

—

7,524

Hanna

13,595

—

13,595

Hoornik

—

—

—

Hydaburg

—

—

—

Ivanom

607,751

492,411

115,360

Kake

—

—

—

Kemur

2,207,012

1,244,420

962,592

Ketchikan

112,017

—

112,017

Kung Cur

—

—

—

Klawock

—

—

—

Kodiak

—

—

79,205

Mat-Su

1,311,069

605,249

705,820

Nemora

1,979

—

1,979

Nome

4,424

—

4,424

North Slope

3,013,040

1,149,461

1,863,579

Palmar

—

—

—

Petersburg

104,312

—

104,312

Sand Point

—

—

—

Sitka

127,350

—

127,350

Skagway

4,456

—

4,456

St. Mary's

—

—

—

Town and

—

—

—

Total

Valdez	525,363	-	525,363
Wrangell	12,341	-	12,341
Yakutat	-	-	-
Total	7,577,662	5,522,028	13,099,690

H B

159

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 159
 Title Achievement Scholarships
 Requested by House HESS Date 2/7/83

II. FISCAL DETAIL

Agency Affected Education
 Program Category Affected Commission on Postsecondary Education
 BRU, Program, Or Subprogram(s) Affected Student Financial Aid Admin/Grants & Loans
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL	N.A.	812.5	1,622.6	2,432.8	3,242.9	

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND	N.A.	812.5	1,622.6	2,432.8	3,242.9	
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

RECEIVED
FEB 10 1983
LEGISLATIVE FINANCE

IV. DATE February 7, 1983 PREPARED BY Kerry D. Romesburg
 AGENCY Commission on Postsecondary Education
 Original: Legislative Finance PHONE 465-2854
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/82) OMB Reviewed by: Jerry Bryant

[Handwritten Signature]
[Handwritten Signature]

HB

160

COMMITTEE REPORT

HOUSE

FURTHER: FINANCE

2/4/53

Date: Mar 29, 1953

Mr. Speaker:

The Committee on NESS has had HB 160

An Act making a special appropriation to the Department of Education for development of a training program for Alaska Aviation; and providing for an effective date.

under consideration and reports it back as follows:

- do pass do not pass
- do pass with attached amendments(s)
- replace with CS for _____ same title
- new title
- and recommends _____
- AND attaches a "Letter of Intent" New Fiscal Note
- reports it back without recommendation Zero Fiscal Note Attached
- referred to the _____ Committee

**MEMBERS SIGNING
DO PASS**

**MEMBERS HAVING
OTHER RECOMMENDATIONS:**

M. W. Miller

Bill Feltz

Mr. [unclear]

Mr. [unclear]

Mr. [unclear]

CHAIRMAN

Bill Feltz

THE LEGISLATURE OF THE STATE OF ALASKA
THIRTEENTH LEGISLATURE

FISCAL NOTE

I. REQUEST

Bill/Resolution No. HB 160
 Title "An Act.. special approp. to DOE for development of a training program.
 Requested by House HESS Committee Date Feb. 15, 1983

II. FISCAL DETAIL

Agency Affected DOE
 Program Category Affected _____
 BRU, Program, Or Subprogram(s) Affected _____
 (Note: If more than one budget component is affected, separate line-item amounts and funding for each component in the analysis section.)

EXPENDITURES (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
100 PERSONAL SERVICES						
200 TRAVEL						
300 CONTRACTUAL						
400 COMMODITIES						
500 EQUIPMENT						
600 LAND & STRUCTURES						
700 GRANTS, CLAIMS, ETC.						
TOTAL						

FUNDING (Thousands of Dollars)

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
GENERAL FUND		753,000				
FEDERAL FUNDS						
OTHER (Specify Source)						

POSITIONS

	FY 83	FY 84	FY 85	FY 86	FY 87	FY 88
FULL TIME						
PART TIME						
TEMPORARY						

III. ANALYSIS (See Fiscal Note Preparation Instruction, Section III)

IV. DATE February 15, 1983 PREPARED BY House HESS Committee
 AGENCY Legislative Affairs Agency
 Original: Legislative Finance PHONE 465-3777
 cc: Budget and Management
 Prime Sponsor (First Legislator Named)
 33-001 (Rev. 12/82)

ALASKA AVIATION SAFETY FOUNDATION

PROPOSED

AVIATION SAFETY TRAINING PROGRAMS

CONTENT AND BUDGET
SUMMARY

1. Develop and validate the curriculum in the form of 25 lesson plans including instructor ("How to Teach") and student manuals for use by experienced Alaskan aviation operators (pilots, managers, etc.) when training both private and commercial operators to fly aircraft safely in Alaska generally and in specific regions of Alaska. The lesson plans will cover the following most hazardous of aviation operations:
 - a. Gathering weather information
 - b. Interpreting weather information and trends
 - c. Landings and take-offs:
 1. Gravel and sand bars
 2. Lakes
 3. Tundra
 4. Mud
 5. Ice
 6. Beaches
 7. Airstrips
 8. Runways
 9. Snow
 10. Glaciers
 - d. Flight techniques in adverse weather:
 1. Vertigo
 2. Whiteouts/depth perception
 3. Turbulence
 4. Icing
 - e. Navigation/Pilotage
 - f. Mountain flying, general and specific pass flying
 - g. Flight techniques - area specific
 - h. Fuel management and handling
 - i. Cold weather operations

APPROXIMATE COST \$573,400

2. Prepare one or two exemplary audio-visual presentations for use in teaching specific validated lesson plans.

APPROXIMATE COST \$180,000

TOTAL ESTIMATE \$753,400

It is anticipated that Department of Education will issue Request for Proposal bids based on the attached proposal and the Definition of Alaskan Aviation Training Requirements previously completed by the Foundation.

The cost estimates (detailed on next page) are Foundation estimates based on a single preliminary survey of potential contractors. Actual bids may be more or less than the estimate.

Lance Wells, Executive Director
Alaska Aviation Safety Foundation
301 West Northern Lights Blvd., Suite 600
Anchorage, Alaska 99503

ALASKAN AVIATION SAFETY FOUNDATION PROPOSAL

BUDGETARY PRICE ESTIMATES

1983-1984

Proposed Start Work Date:

September 1, 1983

Personnel:

Training Specialists (2.5 man-years)	\$250,000.
Contract Secretarial Support (2.0 man-years)	50,000.
Alaskan Subject Matter Experts (9 man-months)	80,000.
Staff Project Support	25,000.
<u>Per Diem:</u> 540 days @ \$150 per day	81,000.
<u>Communications:</u> Telephone and Postage	3,000.
<u>Office Equipment:</u> (Data Support)	20,000.
<u>Office Supplies:</u> @ \$200 per month	2,400.
<u>Office Space/Training Center:</u>	24,000.
<u>Printing:</u> Progress and Final Reports	3,000.
<u>Air Travel:</u>	
Intrastate (via passes to extent possible)	10,000.
Leased Aircraft (donated to extent possible)	25,000.
<u>Media Production:</u> (Sample AV Programs)	<u>180,000.</u>
TOTAL:	<u>\$753,400.</u>

Air carriers seek state-funded pilot training

Alaska Daily News 1-1-83

By CHUCK KLEESCHULTE
Daily News business reporter

Prompted by the promise of reductions in current sky-high insurance rates, Alaska air carriers are pushing hard to get a new pilot training program off the ground.

Air carriers over the weekend voted unanimously to seek \$780,000 from the state's Legislature to fund the second stage of a proposed training program. It is designed so air taxi operators can offer courses for pilots and ground personnel tailor-made for Alaska weather and flying conditions.

"There is just no question that the aviation industry in this state needs more training. By additional training we can improve safety, cut accidents and reduce the rates air carriers pay for insurance," said Jim Dodson, an official of the newly formed Alaska Aviation Safety Foundation, sponsor of the new training program.

The Alaska Air Carriers Association in 1980, fresh on the heels of a National Transportation Safety Board report critical of air taxi operations in Alaska, hired American Airlines Training Corp. of

Texas to study possible improvements in air carrier operations.

The American report completed last year stressed that Alaska's nation-leading air accident rate could be cut if pilots uniformly would be trained to handle Alaska aviation problems and be educated in safety practices so they would avoid wreckless behavior.

"We discovered when we studied Alaskan pilots that most needed more training to learn how to handle many uniquely difficult flying conditions. Flying in white-out conditions and flying where navigation is much more difficult make it important for Alaska pilots to be better trained than those in the Lower 48," says Michael K. Mitchell, an official of American Airlines Training Corp. "Flying out of Bethel daily requires more skill than a commercial 747 pilot ever needs," said Mitchell.

He says Alaska pilots, unlike those in the Lower 48, frequently have to fly by "dead reckoning" and by pilotage, using surface maps and landmarks to determine locations rather than navigational aides.

Mitchell said Alaska pilots es-

pecially face the danger of overconfidence prompting poor judgment in flight decisions, the so-called "Bush Syndrome."

To overcome such problems Mitchell proposes drafting pilot lessons especially tailored to Alaska problems, course manuals which Alaska air taxi operators will then use to satisfy Civil Aeronautics Board required refresher training.

Such training manuals, Mitchell said, could be written and in use by the end of 1984, provided funding for the safety program is found by this summer.

Lance Wells, executive director of the AACA, says the expenditure to fund the training program would ultimately benefit all air users through lower air fares, possible because of lower insurance liability premiums.

Dodson said several insurance firms have already promised to provide discounts to air taxi operators who complete the proposed safety program. He said the course also might attract other insurance firms to write policies for Alaska air carriers.

At present only Lloyds of Lon-

don underwrites aviation insurance given Alaska's high-risk loss history.

The possibility of lower rates is good news to an industry which already has seen nearly a dozen smaller operators go out of business during the past several years because of rapidly escalating insurance rates — the direct result of the state's high accident rate.

Alaska has a rate of non-fatal air accidents five times the rate of the Lower 48, a rate of fatal accidents twice the national average, says Alan L. Crawford, an NTSB regional investigator in Los Angeles.

Crawford during the carrier's annual convention in Anchorage Saturday urged Alaska officials to find funding for the safety program. Wells says carriers have received a commitment from the Sheffield administration to provide at least part of the amount needed for the program in the state's FY '84 budget now under development.

Wells, however, urged carriers to contact lawmakers to try to obtain full funding for the drafting of the training program.

Katherine Fanning
Editor and Publisher



Gerald E. Grilly
General Manager

Howard Weaver
Managing Editor

Steve Lindbeck
Editorial Page Editor

Lawrence Fanning, Editor and Publisher 1967 to 1971
Alaska's Only Morning Newspaper • Founded in 1946 by Norman C. Brown

Upgrade pilot training programs in Alaska

Alaska's air carriers have improved their aim considerably in efforts to shoot down the high cost of flying insurance. The target this legislative season is improved pilot training, and there is at least some chance of success.

Last year the industry sought help from Juneau in the form of legal limits to the financial liability facing air carriers in Alaska. Reducing the carriers' (and thus the underwriters') liability, it was thought, would translate into reduced insurance rates. But the legislation went nowhere — presumably because it pinpointed the wrong problem.

The problem with aviation and insurance coverage in Alaska is the high rate of accidents — not the legal responsibilities arising from them. And the high rate of accidents stems too often from human error arising from the combination of harsh weather, natural hazards, navigational difficulties and unwarranted overconfidence known as "the Bush syndrome."

Industry representatives tacitly admit as much in pressing for a state-funded pilot training program tailored to the special demands of Alaska flying conditions. "There is just no question that the aviation industry in this state needs more training," says Jim Dodson, an official of the Alaska Aviation Safety Program. "By additional training we can improve safety, cut accidents and reduce the rates air carriers pay for insurance."

There may be a battle over who will pay for the training. Air carriers have asked the legislature for \$780,000 to fund the second stage of a proposed training program pitched to the needs of Alaska air taxi operators. The Sheffield administration apparently has expressed interest in picking up part of the tab, though a case also could be made for funding the program through a special levy on the industry.

There is little doubt of the pressures, challenges and risks associated with flying in Alaska. But the crucial factor in safely confronting those challenges is the human judgment of pilots who must know their profession better in Alaska than anywhere else in the country. "Flying out of Bethel daily requires more skill than a commercial 747 pilot ever needs," says an official of a company hired to study air carrier operations in Alaska.

That realization alone is enough to justify upgrading pilot training programs in our state. Aviation is a crucial lifeline to every corner of Alaska, and high insurance costs ultimately raise the cost of living throughout the Bush. Working to improve the competence and training of thousands of Alaska pilots can only improve the quality of life in dozens of communities that depend on them.



National Transportation Safety Board

Washington, D.C. 20594

Safety Information

FOR IMMEDIATE RELEASE

Tuesday
September 16, 1980

SB 80-78/3052
(202) 472-6100

Air taxis in Alaska have far higher accident rates than air taxis in the rest of the United States, the National Transportation Safety Board reported today in a special study.

Alaska's rate of nonfatal air taxi accidents per hour flown has been almost five times higher, and its fatal accident rate per hour more than twice, that of the rest of the country, the Board found.

The Board attributed the high rates to:

— The "bush syndrome," nourished by legends of Alaskan bush pilots, and other factors which today sometimes prompts air taxi pilots and passengers alike to take unwarranted risks to complete flights in the face of the state's unique environmental hazards.

— Inadequate airport facilities and pilots' frequent inability to obtain accurate information on airport conditions.

— Insufficient ground aids to navigation.

In 1974-78, Alaskan air taxi operators had a rate of 15.2 nonfatal accidents in every 100,000 hours, as compared with 3.3 in the rest of the country. The Alaskan rate of fatal accidents per 100,000 hours was 2.57; in the other states it was 1.11.

Sampling of Safety Board accident data showed that the pilot was cited as a causal or contributing factor in 85 percent of Alaskan air taxi accidents studied, as compared with 70 percent of similar accidents in the other states. The data also showed that most Alaskan accident pilots were experienced -- almost all had logged more than 1,000 hours, and 80 percent had more than 2,000 pilot hours.

The Board said Alaska air taxi operators believe the inadequacy of airport facilities and information on airport conditions are a significant factor in the state's air taxi accidents. And there is "virtual unanimity of opinion among

operators and pilots that runway conditions present a problem in much of rural Alaska" the Board reported.

Operators and pilots flying in the more rural areas also repeatedly cited the lack of navigation aids, inadequate observation of en route and destination weather, and inadequate dissemination of weather information when observations are made.

The Safety Board described as unprecedented for this or any other state a fiscal 1981 Alaska appropriation package totaling more than \$51 million for further development of state aviation facilities. In combination with the Federal Aviation Administration's 10-year development plan for the state, improvements which the appropriation would finance could have a substantial impact on the safety of Alaska's aviation system, the Board said.

A series of 11 safety recommendations are incorporated in the Board's special study. Addressed to the State of Alaska, the FAA, and the Alaska Air Carriers Association, their goals include:

- Rapid completion of aviation projects to be funded by the \$51 million appropriation.

- Centralization of authority and responsibility for planning operating and maintaining the State's aviation facilities.

- A comprehensive aviation system plan for Alaska.

- Permanent assignment of FAA operations and maintenance inspectors to Nome, Bethel and Ketchikan, and to "as many other regional hubs as possible."

- Continued development of weather data gathering and transmission facilities, including such new technology as weather observation by television and "meteor burst" communication which would transmit data from a single observation point in an Alaskan village simultaneously to all of the state's regional aviation hubs.

- Extension of the Alaska air carriers' safety program to specifically combat the "bush pilot syndrome."

The Safety Board's special study - "Air Taxi Safety in Alaska" will be available in approximately three weeks. Single copies may be obtained without charge by writing to the Publications Branch, National Transportation Safety Board, Washington, D.C. 20594. Multiple copies may be purchased by mail from the National Technical Information Service, U.S. Department of Commerce, Springfield, Virginia 22161.

ISSUED: September 25, 1980

Forwarded to:

Honorable Jay Hammond
Governor
State of Alaska
Juneau, Alaska 99801

SAFETY RECOMMENDATION(S)

A-80-96 through 100

The National Transportation Safety Board has studied the air taxi accidents which occurred in Alaska from 1974 through 1978. Accident data from the Safety Board's automated aviation accident data system for that period were analyzed by means of frequency distributions. Safety Board staff also visited Alaska to see the conditions under which the air taxi community operates, to discuss the community's attitudes and needs, and to examine the community's interaction with Federal and State agencies. While in Alaska, the Safety Board staff met with officials of the Federal Aviation Administration (FAA), the National Weather Service (NWS), the Alaska Department of Transportation and Public Facilities (DOT/PF), the Alaska Air Carriers Association, and 17 air taxi operators. 1/

The State of Alaska is heavily dependent on its air taxi industry to transport food, medicine, mail, and many other necessities of life to rural villages. Alaska, however, has an air taxi safety problem. During the 5-year period 1974-1978, there were 311 air taxi accidents in Alaska, of which 266 were nonfatal and 45 were fatal, compared with 753 air taxi accidents in the rest of the United States, of which 562 were nonfatal and 191 were fatal. More importantly, the nonfatal air taxi accident rate (per 100,000 flying hours) in Alaska is almost five times higher than the nonfatal air taxi accident rate in the rest of the United States, and the fatal air taxi accident rate in Alaska is more than double the fatal air taxi accident rate in the rest of the United States.

The Safety Board study concluded that there are three major factors responsible for the high air taxi accident rate in Alaska: (1) the "bush syndrome," (2) inadequate airfield facilities and inadequate communications of airfield conditions, and (3) inadequate weather observations, inadequate communications of the weather information, and insufficient navigation aids. The "bush syndrome" is an attitude on the part of air taxi operators, pilots, and passengers in Alaska that ranges from a casual acceptance of risks to a willingness to take unwarranted risks. Most of the active airports in Alaska are State owned and maintained, and many of their runways are inadequately maintained. Whiteouts, very rapid weather changes, and a scarcity of navigation aids cause pilots to make many off-airport takeoffs and landings in float-equipped and ski-equipped aircraft. The collection and dissemination of weather information and current runway condition information is hampered by a shortage of trained personnel and an inadequate communications system in rural Alaska.

1/ For more detailed information read "Special Study--Air Taxi Safety in Alaska" (NTSB-AAS-80-3).