

ALASKA LEGISLATURE COMMITTEE FILES, 2003-2004 8672

10842 HOUSE JUDICIARY

Much of the public refers to prostitution as the world's oldest profession, based on its reading of the Bible. Many are uncomfortable discussing prostitution on moral principles and the degradation of those involved. And some see prostitution as repulsive because of its nature as a hired sex act, which has a purpose far apart from procreation.

The cause of prostitution has been the subject of many studies, interviews, and research projects. Some studies have reported trends and others have identified several causes (Potterat, J.J., Rothenberg, R.B., et. al., 1998, p.333)

The primary suggested causes include:

- Addiction to drugs;
- Prior physical and sexual abuse;
- Need for money;
- Mental health issues;

Suggested secondary reasons blur the focused picture of prostitution because they also are present in people who have not turned to prostitution. But they nonetheless play a cause and effect role in prostitution as aggravators.

They include:

- Poor life choices;
- Lack of education;
- Engaging in criminal activities;
- Poor health maintenance;

Prostitution involves street prostitution, houses of prostitution, and out-call service.

This research focuses on street-level prostitution. Studies on the other regimes of

prostitution involve a different dynamic and feature unreliable statistics. The reason for this is the other regimes of prostitution remain invisible by design. Precautions are taken to avoid attracting attention by authorities by discrete tactics. These include references required of clients, assignations are by appointment only, and customers are not subjected to "visible" crimes such as assaults, robberies, and rollings that initiate calls to police and thus redirect attention to prostitution. Absent visible indications of prostitution, prostitution houses and out-call services tend to attract little attention from authorities.

Another important reason there is little attention given to these regimes can be found in the lexicon of the statutes that govern prostitution and the requirements of local District Attorneys as translated into the "essential elements" of the case. Most police departments will not allow officers to take part in any prostitution case beyond the initial verbal stage. Nudity and sex act(s) are almost universally not permitted by the majority of law enforcement agencies for reasons of morality, appearance of impropriety, and of course, the danger of the spread of deadly disease. For these reasons, most prostitution houses and out-call services will not discuss sex for money with customers until both the prostitute and customer are naked and some touching has occurred. Since such scenarios are prohibited by most law enforcement agencies, very little enforcement can be accomplished in these areas of prostitution.

And finally, enforcement of vice crimes is usually subject to staffing and budget concerns, which contribute to sporadic enforcement efforts at best. Therefore, street-level prostitution is the one regime of the three that is both visible and attracts enforcement efforts. In fact, some studies estimate that street level prostitution comprises

only 15% of all prostitution (Dalla, 2002, p.2). The problem usually is reduced proportionally to the amount of resources directed, with many of the same prostitutes getting arrested over and over. At face value, this recurrence seems odd since most other offenders try not to get arrested again. In answering why prostitutes are repeatedly arrested more than any other crime class, one common root cause has shown consistency and predominates. Almost exclusively, street-level prostitutes are drug abusers and addicts. A recent study at an STD clinic revealed that 94% of prostitutes used drugs prior to entering prostitution (Potterat, Rothenberg, et al, 1998, para 1). This observation is born out as well by the researcher's 25 years of police duty in the Municipality of Anchorage, Alaska. During that time, the researcher made or assisted in over a thousand prostitution arrests, supervised numerous sting operations, and personally interviewed or supervised the interview of prostitutes. Early on, the researcher's curiosity was compelling: what cause or causes could explain becoming a prostitute if that were ever possible?

The Hollywood movie *Pretty Woman* might lead some to believe that prostitutes make lots of money and lead glamorous lives. For the vast majority of prostitutes, however, nothing could be further from reality. Besides physical evidence, police vice units retrieve much anecdotal information from prostitutes, especially after arrest. Statistical information tends to be based on manpower and the available budget, so it does not address cause(s). Real-world experiences show that at the arrest stage, prostitutes nearly always confirm drug usage. Research in some recent studies confirms that drug addiction is the main reason for entering into prostitution (Young, Boyd, et al, 2000, p.1). They either have drugs or paraphernalia with them, or offer to take officers to locations where

drugs could be obtained. The offer to obtain drugs for officers is a common practice among prostitutes for two main reasons. First, when they cooperate, they are more likely to receive a misdemeanor citation (a ticket with a court appearance date) and then be released; thus they avoid incarceration for the moment. Secondly, initial cooperation may lead police to a more important drug case(s). This cooperation works in the prostitutes' favor as it usually leads to leniency at the prosecutor level. Again, the prostitutes avoid incarceration; furthermore, prostitutes understand that any false information will cancel any positive consideration in the case. This last observation and truism is significant, because while not scientific, the information is usually reliable.

By cooperating, prostitutes tend to remain incarcerated less and remain on the street more, sustaining their ability to remain addicted. As a result, they will inform on anyone, including those closest to them. The almost singular exception to their informing seems to be their pimp, if they have one. But even pimps have been informed on, especially if the prostitute is at a low and expects to be able to leave the area, or is about to enter a drug program.

Crack cocaine (also called rock cocaine) is the drug of choice for street prostitutes followed closely by marijuana and heroin. The percentages of usage vary by geographical region. A new designer drug called crystal methamphetamine also rapidly is gaining favor among prostitutes. Prostitutes smoke marijuana by traditional means either rolled in paper or placing it in a pipe of some type. The Graham/Wish study indicates marijuana tended to predate crack cocaine or heroin, which in turn tended to predate entering into prostitution (Graham, Wish, 1994, p. 6). Crack cocaine is usually smoked in a glass tube ('stem') about 4 inches in length with a small piece of metal scrub

pad in the outer end which serves as a blocking device to keep from inhaling the rock. A cigarette lighter is typically used as the heat source, held at the end of the tube under the rock. As the heat starts to melt the rock, the vapors are inhaled to achieve a nearly instantaneous high. The high usually lasts from a few minutes up to an hour. Heroin is traditionally injected. Crystal methamphetamine, usually taken by mouth, but can be smoked or melted and injected; it produces a high that lasts as much as ten times that of cocaine. All of these methods are simple and quick, and thus allow prostitutes to remain high even while in public view on city streets, or stepping behind a fence or into a doorway. A ten-dollar rock of cocaine can be smoked in just a few minutes.

In the highly addictive cases, prostitutes will trade sex for drugs; they realize no money and only maintain their drug addiction. While they may enter prostitution to support drug use, prostitutes are more likely to increase their drug use due to stress in coping with their occupation (Young, Boyd, 2000, p. 1). This highly addictive sex-for-drugs scenario has been confirmed in police sting operations, and has been noted by researchers who refer to the practice as a newly emerging form of prostitution (Sterk, Elifson, 2000, p. 1). An undercover officer posing as a "john" (customer) needs to fill a two-pronged legal requirement to make a prostitution arrest. This requirement is for the prostitute to originate a sex act for a price. Once this requirement is met, the officer attempts an "act of furtherance" to bolster the case. Acts of furtherance are non-verbal and include the showing of drugs, condoms, motel room keys, etc. These "acts of furtherance" are undertaken to show a jury that the prostitute was sincere in the crime; they also show tendencies to commit other crimes. A small plastic bag containing imitation crack cocaine nearly always elicits a "sex for drugs" assignation from

prostitutes. Imitation crack cocaine can consist of many non-drug substances including baby laxative, sheet rock pieces, milk sugar and many other substances are commonly used.

A search incident to arrest (as previously reported) typically reveals drug paraphernalia and a small amount of drugs or no drugs. If a prostitute obtains any significant amount of drugs, they routinely retreat to a "smoking den" and consume their drugs until they are gone and then go out to ply their trade to earn more drugs. Officers usually question prostitutes post arrest to confirm the drug link and to offer drug program treatment options. While a small percentage of prostitutes opt for treatment, the vast majority does not, stating that they have tried drug treatment and it did not work. Although nearly 100% of arrested prostitutes had a confirmed drug use connection, most prefer to keep using drugs, and indicate they don't have a problem.

A popular reference to prostitution refers to it as a "victimless crime." This view is not only shortsighted, but also deceptively inaccurate. HIV and STD issues aside, drug-using prostitutes are involved in a broad spectrum of crimes. Burglaries, Thefts, Frauds, and Strong-arm Robberies are Part 1 crimes that are predominately drug driven crimes; they frequently are committed by prostitutes (Gagney III, Chase, 1994, p. 1). Prostitutes are involved directly or indirectly in many crimes. Because of the drug connection, a broad spectrum of criminals associate with prostitutes.

While prostitutes frequently give post arrest information in order to gain favor in their case, they are often reluctant to discuss the reasons they became prostitutes. Aside from clinical studies of this issue, anecdotal observations indicate fairly predictable answers. In descending order from the highest occurrence, these were their observations:

- Drugs were the greatest commonality in all prostitution arrests, nearing 100%;
- Leaving structured family environment at an earlier than normal age was prevalent, and often was due to sexual or physical abuse;
- Money earning was essential to support the family, primarily due to lack of salable education skills;
- Poor lifestyle choices;
- Mental health issues including low self esteem disorders;
- Poor health maintenance to include disease processes such as HIV and syphilis.

Thus, while prostitution has many facets in terms of causes, drug abuse is the primary factor present in nearly 100% of the cases. So most prostitutes must work to support drug addiction. Prostitution supports many other crime classes that are drug driven. Prostitutes routinely supply police with information on other crimes gaining case favor to avoid or minimize incarceration so that they may continue to abuse drugs. Although many in our society see prostitution as a victimless crime, or mistakenly believe is it glamorous because of Hollywood myth making, the truth is that prostitution is about people in crisis. These people in crisis are spreading deadly diseases such as the HIV virus that develops into AIDS, and other sexually transmitted diseases. Many are abuse victims, or through poor life choices, are not employable and are trying to support their children; or they are mentally ill or physically diseased. While drug use is not the sole cause for many who become prostitutes, it is at very least a major aggravator for all the other reasons (Graham, Wish, 1994, p. 6). Drug use and prostitution are so interconnected that engagement in one leads to an increase in the other (Young, Boyd, 2000, p. 1).



Alaska State Legislature

Please enter into the record my testimony to the House Judiciary
committee name

committee on HB 367, dated 2-16-04
bill/subject

5 - AGLS

Signed: Diana L Straub
Testifier

Self and Wasilla Middle School PTA
Representing (Optional)

1452 Bertha Lane Wasilla AK 99654
Mailing Address

373-7230 Cell 242-1353
Phone Number

Diana L. Straub

Chair- Board of Barbers and Hairdressers
PTA President - Wasilla Middle School
Council Member -- City of Wasilla

1452 Bertha Lane
Wasilla, AK 99654
(907) 373-7230
(907) 242-1353

February 16, 2004

House Labor and Commerce Committee

Dear Legislators:

I appreciated listening to the valuable testimony given on Friday January to, 2004 regarding HB369. Due to time constraints for testimony, I offered to forward my comments to you in written form. I will gladly participate via teleconference as often as possible and I appreciate the opportunity to interact with you.

As you will recall, my greatest concern was our ability to follow through with the enforcement of this bill. I fully value and agree with the intent of which created this bill, however I do not believe that **HB 367 will not be enforceable** for a number of reasons.

I have arrived at this conclusion from my experience serving the Board of Barbers and Hairdressers. This board oversees tattooing and body piercing. In the state of Alaska a practitioner may not tattoo or pierce any person under the age of 18 years. We are finding this extremely difficult to enforce due to lack of financial resources in multiple departments.

The solution I bring to the table is, halt the employment of all persons under the age of 21 in a Sex Oriented Business.

If you are not old enough to drink a cocktail, you are not old enough to take your clothes off on the cocktail table.

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February 16, 2004

As I look at this bill, I see the following departments involved (keeping in mind there are other department choices available).

1. **Occupational Licensing** to process the licensing applications
2. **Alcohol Beverage Control** to work with the establishments that do hold a liquor license
3. _____ to work with the S.O. B. that **do not** hold a liquor license.
4. **DEC** to provide health inspections in a timely manner to protect the entertainers against the spread of diseases i.e., hepatitis. Let me remind you, this department has been cut back so much that our restaurants are now self-inspecting. As a board member of the Board of Barbers and Hairdressers, I have **waited 5 weeks for a salon to be inspected by DEC** after requesting the inspection. The inspection requested was **due to animal urine** in the salon in multiple areas. **To date this salon has not been inspected**, however DEC did issue a letter of non-objection to this salon becoming a school.
5. **Public Safety**
6. **Division of Occupational Licensing investigators** to investigate and build cases against unethical employers and unlicensed employees. Hope they stay in the same place long enough to build a case. We already know that the businesses move frequently and change names as they do so. **Remember that Occupational investigators are 8:00 AM to 5:00 PM employees. Will we hire more investigators or just pay overtime?**
7. **Police / Troopers** responding to immediate safety needs and the needs of nearby residents or businesses. **Will we take our officers off the streets to provide these occupational investigations?**

I do not believe that **all costs in each of these departments will not be recovered in the occupational licensing fees**. What would you believe to be the total number of man-hours for investigations alone in the first year? Where will that money come from?

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February 16, 2004

The way I understand the process necessary to begin employment will look like this.

1. **Decide to be a stripper** (you must need fast cash and feel desperate)
2. **Call DCED to scheduled classes** in STD, Sexual Assault, Wage and Hour, Career-counseling. When will classes be available? How often will classes be available? Weekly, monthly yearly? Will classes be offered together in one day or will this take several days?
3. **Attend and pay for the classes.** How much will this cost? HB 367 says the employer will cover these costs, however at this point you are not licensed to look for a job, there is no employer to pay the fee.
4. Complete the **Occupational Licensing application** and **mail the fee of about \$175.00** (the average fee for Barbers and Haldressers) to Juneau.
5. **Wait about two weeks for the licensing process to be completed** and in your license in mailbox. You do have a mailbox, don't you?
6. Now you are ready to seek employment.

Great! You got a job at the first place you asked. When you asked your new employer to reimburse you for the cost of the classes (remember HB 367 says the employer will pick up the costs) he laughed at you and let you know that he does not pay for *those* classes. You could quit and go to work down the street the next night and then he is out the money.

Your new employer laughed again when you gave him your **occupational license to post in the establishment**. You just provided him with the information that you are new to the business, naive and now you are a target. Let me remind you that the license has **your full legal name and address** in a place that anyone could make a note of your name and find you later, when you least expect it.

It's your first night at work and you notice that the stage props are not cleaned and sanitized between performers. You **call DEC** and wait for an inspection.

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February 16, 2004

Unless we put money and manpower in each department that will work with this legislation, we are providing nothing more than lip service. On the surface, it appears that *we tried*, but in reality, we knew that it would not protect the safety of these young adults and it may even put them further in harms way because they'll believe they are protected. They will believe that because we taught them that in the *mandatory* classes they took.

It seems to me the way HB 367 is currently laid out, **we have several carts before our single horse and no money to push with.** I encourage each committee to consider the full trickle down effect of HB367.

In conclusion, please keep in mind that **I truly support the protection of our youth.**

Sincerely,

A handwritten signature in cursive script that reads "Diana L. Straub". The signature is written in dark ink and is positioned below the word "Sincerely,".

Diana L. Straub

February 21, 2004

Alaska State Legislature
House of Representatives
Judiciary Committee
Finance Committee
Rules Committee

When we flew to Juneau to testify in front of the Judiciary Committee, it was our understanding that we were invited to continue being a part of the process of re-writing HB 367. We had not heard from any of the Legislators, so we placed some phone calls, and found out there was another work draft being prepared. We received a copy of CS FOR HOUSE BILL NO. 367, Work Draft 23-LS1394/Q (Craver) 2/16/04.

Our businesses would be regulated by the State of Alaska through licensing requirements, even though we are currently licensed by the Municipality of Anchorage. Seeing as how the Municipal Ordinance is even more stringent than HB 367, it appears the State is trying to circumvent local authority.

We believe that if you were to do away with the creation of Chapter 90 and the licensing requirements, (since we are already licensed), and the age limit of 21 for entertainers, which will be challenged as unconstitutional, there is little left of HB 367 to proceed on.

We also believe adult oriented entertainment businesses should be separated from other types of adult-oriented businesses. We are here to entertain while other adult oriented businesses perform services. We have recently been grouped in with the rest of the adult-oriented businesses, yet HB 367 refers only to dancers and entertainment. Why are we being singled out? If you really want to protect young adults, you should be investigating massage parlors and escort services where 18 year olds are allowed to work in a profession where certainly there are illegal activities going on. There is a much larger number of these establishments in the Municipality and around the state, while there are only 6 adult cabarets statewide. There are young adult working in those places that are being sent out as "escorts" with men that are possibly twice their age. They

will more than likely be drinking alcohol, the men may already be drunk, may furnish alcohol to these underage persons, and the "escorts" are alone and unprotected with this person, or people. Anything could happen to them. I really think your concerns are misplaced and should be directed to where they are really needed. I don't know the answers to these problems, or how to solve them, but these are the women that need protection, not dancers that work in a controlled and safe environment.

Section 1 addresses the issues of secondary effects, and states that the purpose of this legislation is to regulate adult oriented entertainment businesses in order to reduce the incidence of and opportunities for illegal activity such as lewd acts, solicitation of prostitution, and prostitution. You state that regulation is necessary to ensure that the recognized negative secondary effects, including accosting and harassment of law-abiding residents and the proliferation of litter, particularly litter of an adult nature associated with these businesses, will not have a deleterious effect on adjacent neighborhoods and communities. The regulations are also to protect the public order and the health, safety, and general welfare of the residents of the state by preventing prostitution, lewd acts, the spread of disease, and the deterioration and blighting of neighborhoods, reducing crime in and around adult oriented entertainment businesses, and preserving the quality of urban life in the state.

I would ask you again if the State of Alaska has conducted any studies pertaining to the secondary effects that are alleged? Do you have any crime statistics that point to adult oriented entertainment businesses causing any rise in the crime rate simply because they exist? Are there any statistics regarding STD's that show dancers have a higher rate of STD's verses the general public? What is the percentage of prostitutes that began as exotic dancers? Does anyone have a complete list of all the prostitutes in the state so a fair survey can be completed and an accurate number derived from the survey? Has anyone conducted a study on assessed property values in the areas surrounding the adult oriented entertainment businesses?

Attached, you will find a cover letter from Anchorage Police Department and a copy of the Calls For Services Requested Report that they prepared at our request. If you break it down by categories, you get the following results from a 5 year period from 1998 - 2003:

5 Nightclubs/Bars w/ alcohol, but no adult entertainment	854 calls - avg. 170.8 each - or 34.2 per year
4 Adult Entertainment Clubs w/alcohol	150 calls - avg. 37.5 each - or 9.375 per year

3 Adult Entertainment Clubs w/no alcohol, 18 & over	90 calls - avg. 30 each - or 6 per year
1 Teenage Club w/ no alcohol & no adult entertainment	22 calls - avg. 22 each - or 4.4 per year

We believe this report, along with the numerous assessed property values for a three year period, that were previously submitted to you, prove that there are no secondary effects caused by adult oriented entertainment businesses. We are also attempting to get statistics from the Department of Health and Human Services that will also discount the STD theory. We have already submitted a letter from one of our neighbors, The Safe Harbor Inn, stating that we have been good neighbors, have never caused them any problems, and we keep our property clean. We are getting more letters that will show similar feelings toward our business, and we will submit those to you as they arrive.

We have listed some of the more serious concerns we have with the language in HB 367. They are:

Section 3 The adding of an entire new chapter to AS 08 for the purpose of licensing adult oriented businesses seems unnecessary and redundant since the Municipality of Anchorage already requires our business to be licensed. If there are adult businesses in other cities, they can also be regulated locally.

Chapter 90, Article 1, Sec. 08.90.030. Regulations for adult-oriented business licenses. (2) needs further information as to what is meant by: the interior layout of the premises of an adult oriented business must physically separate adult oriented business entertainers from patrons during performances. (4) (A) is so broad and so strict that it would make it almost impossible for lots of people to ever obtain a license. By including a liquor violation, does that infer that a person convicted of DWI, or something similar would not be eligible to get a license, and therefore could not own and operate a business in this state? (B) is way too restrictive also.

Chapter 90, Article 1, Sec. 08.90.040. Application for license. (a) (3) any other information required by the department is too broad, needs specific requirements outlined.

Chapter 90, Article 1, Sec. 08.90.050. Notice of application for adult-oriented business license. (b) if the licensed premises is located within ½ mile of a community council (1) The department shall immediately provide written notice of the application to (A) the community council; and (B) any nonprofit community

organization that has requested notification in writing, and do the same in (2) (A) and (B). We believe that the required posting in (a) (1) and (2) should be sufficient notification to the entire community.

Chapter 90, Article 1, Sec. 08.90.060. Fees. The amount of licensing fees needs to be established.

Chapter 90, Article 1, Sec. 08.90.070 Grounds for denial, suspension, or revocation of license. (2) language too broad; or other crime if the felony or other crime is substantially related to the qualifications, functions, or duties of the license. Who makes that call and where do they draw the line? (3) has willfully or repeatedly violated a provision of this chapter or regulations adopted under it. Once again, too broad. Who determines willfulness, and how many times does "violated repeatedly" refer to before denial?

Chapter 90, Article 1, Sec. 08.90.080. Person and location for adult-oriented business license. (d) (2) (other matters and occurrences the department may require by regulation) is overly-broad, and need specified..

Chapter 90, Article 2, Sec. 08.90.200. Entertainment employed by business. (a) The age restriction of 21 years old to be employed as an adult oriented entertainer should be removed. Entertainers in an adult oriented business should only be required to be 18, since they are adults at that point, and have rights. (b) language needs to specify what certain information specified by the department consists of. Also, presented or written materials should be changed to written materials, thereby eliminating more costs to comply.

Chapter 90, Article 2, Sec. 08.90.210. Business Hours. We would ask that the hours when adult oriented business may not allow patrons to be present on licensed premises be changed to between the hours of 7:00 a.m. and 11:00 a.m.

Chapter 90, Article 3, Sec. 08.90.300. Disciplinary sanction. (a) (1) time period for suspension of license needs defined.

(a) (2) civil fine should be lower to \$5000.00

(b) department may not suspend license until hearing date.

Article 3, Sec. 08.90.320. Limitations of liability. Should be struck in its entirety. An action may not be brought against a person for damages resulting from a report made in good faith to a public agency by the person or participation by the person, if the report relates to activity requiring a license under this chapter.

This would mean all the lies and innuendos could continue, and even put a person out of business, but if they are reporting in "good faith" then it's okay.

Article 3, Sec. 08.90.330. Accessibility of license and licensed premises to inspection. (a) the language needs narrowed to specify exactly who has the right to enter the licensed premises for inspection and enforcement during all regular business hours. Who are officers charged with the enforcement of this chapter including employees of the department, and how many different persons does this include?

Section 4 AS 08.90.200 is amended by adding a new subsection (c) which would re-address (b) to apply to entertainers under 21 years of age, and will only take effect if the severability clause is put into effect due to the unconstitutionality of this law.

Section 5 AS 08.90.200 is repealed, if the severability clause takes effect due to the unconstitutionality of the law.

We believe the severability clause would not be necessary if the Legislature did not have serious doubts as to the constitutionality of this law. The fiscal note attached to this bill will be huge since this bill, if passed, will result in a challenge in court to the highest level.

Attached is a letter from one of our longtime employees. She said it was very difficult for her to write this letter, but felt you should all be aware of the realities in our business, and realize that all the misconceptions of the public and the Legislature are wrong. Maybe you should conduct your own survey of every dancer that is currently working in all the adult-oriented entertainment establishments. Then you would have facts, and honest opinions to base your beliefs on, not just a few isolated cases, and lots of false statements and innuendos. Maybe then you would take a second look at what you are trying to do here and address issues of real concern in areas other than adult oriented entertainment.

If the age were raised to 21, how many young adults would become unemployed and on the welfare list, or

out in the streets. Hundreds! Do you really think this is the way to protect these young adults?

They have the right to freedom of expression, the right to freedom of speech, and the right to employment of choice, and for many of them, this is a good choice. It may not be the choice you would like them to make, but it is their choice. They are, after all, adults.

Thank you for your time on this matter,

Kathy Hartman, owner
(907) 227-0770 cell
(907) 563-0042 office
(907) 563-0043 fax

Carol Hartman, owner
(907) 229-4839 cell
(907) 563-0042 office
(907) 563-0043 fax



Mark Begich
Mayor

ANCHORAGE POLICE DEPARTMENT

4501 Bragaw Street • Anchorage, Alaska 99507-1599

Telephone (907) 786-8500

<http://www.muni.org>



February 20, 2004

Carol Hartman
Fantasies on Fifth Avenue
1911 E. Fifth Avenue
Anchorage, AK 99501

Dear Ms. Hartman:

Pursuant to your information request of February 4, 2004 we have prepared a Calls For Service (CFS) Report (See Enclosure).

Your request was received by the Anchorage Police Department on February 6th and required internal staff review as well as legal review. We apologize for any perceived delay.

Please feel free to direct your questions to me via phone (786-2477) or E-Mail (dhsieh@muni.org).

Sr. Patrol Officer Derek Hsieh
Administrative Officer

dh
enclosure

ANCHORAGE POLICE DEPARTMENT



OFFICER
DEREK HSIEH

4501 SOUTH BRADY ST.
ANCHORAGE, ALASKA 99507-1899
E-MAIL: DHSIEH@CI.ANCHORAGE.AK.US

DISPATCH: (907) 786-8500
VOICEMAIL: (907) 786-2477

Calls For Service at Requested Locations 1998 - 2003

CALL TYPE FINAL TRANSLATION	ALS ALASKAN INN 516 CLUB	AVENUE BAR	BUSH COMPANY	CHILKOOT	CRAZY HORSE GAMBELL	CRAZY HORSE MULDOON	FANTASIES ON 6TH	MILLENIUM CLUB	PJS	RUMRUNNERS	SHOWBOAT	TEASERS(CRAZY HORSE MULDOO	Grand Total
ADMINISTRATIVE	45		10	4					1				59
ALARM													1
ALL BOMB CALLS			1										64
ASSAULT	6	3	11	5	16	1	2	2	3	10	5		6
ASSAULT WITH A WEAPON			1	1	4								2
BURGLARY	2												2
CHILD ABUSE/NEGLECT/CUST													2
CIVIL PROBLEM/STANDBY	1				2	1						1	5
DEAD BODY	1		3	1									1
DISORDERLY CONDUCT	1												9
DIST WITH WEAPON													2
DISTURBANCE	13	13	27	5	21	2	1	6	5	20	13	5	131
DRIVING WHILE INTOXICATED	2	1	2	3	1		1	1		2			12
DRIVING WITH LIC S/R/C						1							2
DRUGS/FORGED PRESCRIPTION	1	1	9	1	3	1	1			2			18
DRUNK PROBLEM	6	6	6	5	5		1			10			34
DRUNK TRANSPORT	3	1	6	1	1					5			16
DV WRIT SERVICE													2
ELUDGING/EVADING OFFICER													1
FALSE RPT/FALSE INFO			2	4						2			8
FIRE DEPT ASSIST			1	1									2
FOLLOW UP	2	8	14	6	14	3	2	3	4	9	2		67
FOUND PROPERTY								1					3
FRAUD	1		1	2								1	7
GAMBLING/PROSTITUTION													2
GENERAL LOCATE	1	6	1	2	12	1	1	2	2	1	1	1	31
HARASSMENT													1
HIT AND RUN	1	1	3	15						2	1	2	25
HIT AND RUN WINJURY													1
INDECENT EXPOSURE													2
JUVENILE PROBLEM													1
LIQUOR LAW VIOLATION	2	6	1	26									38
LOST PROPERTY	1	2	8										12
MEDIC ASSIST	7	1	4	4	1								22
MENTAL PERSON													5
MISCONDUCT INV/WEAPON	1												8
MISSING PERSON (NOT RUNNING WAY)	1												6
NOISE VIOLATION	1												7
OFFICER HAILED													6
OUTSIDE AGENCY ASSIST	1	3	1	1	2								9
PARKING PROBLEM/OVER 24	4	1	5	2	3				2	15			32
PUBLIC ASSIST	1												3
ROBBERY													3
SECURITY CHECK	1	10	7	2	1								23
SEXUAL ASSAULT	1	1											5
STOLEN VEHICLE	1	1											2
STRONGARM ROBBERY													2
SUBJECT STOP	1	4	11	6									36
SUICIDE ATTEMPT/THREAT													1
SUSPICIOUS PER/VEH/CIRC	2												20
THEFT	1	16	3	2	45	4	2	1	4	11	9	1	98
THREATS													5
TRESPASS	1	12	2	3	2								29
VANDALISM	2	2	5	8									27
VIOL CITY/STATE REGS	2	5	1	2									13
WARRANT SERVICE	5	4	9	6									36
WELFARE/CHV/SH11 HANG UP	12	13	21	4	39	7	3	5	21	4			129
Grand Total	65	148	173	65	311	26	7	25	22	52	167	54	1116

To whom it may concern:

My name is Dawn Jewell, and I am 34 years old and have been an adult entertainer for over eleven years now. My stage name is Shalena and I have been employed by Carol and Keith Hartman for my entire dancing career.

When I got into dancing I was going through a divorce, fighting for custody of my three children, but I was also a cocaine addict and on probation. I also had my first, last, and only D.W.I. Needless to say life was not working good for me, suicide was another option for many days.

I needed money, and a life in which I was happy and I saw an ad in the paper for the Samba Kwik - so I made the phone call and went down to talk to Carol. I liked the atmosphere and Carol was very nice to me & she explained that if I decided to do this - ~~that~~ I did not ever need to take my ceases off, drugs and alcohol were not tolerated, and prostitution absolutely not tolerated - both ^{with} grounds for immediate termination. So I went to work the next night and I liked it - I made money - and didn't take my bottoms off - and I ~~is~~ was happy; for the first time in a long time.

My probation officer (Frank Gerber) was not as happy w/ my decision - but something was happening - over short period my UA's were coming up clean - I was doing my community work service and I was going to my outpatient appointments diligently and I was living a clean, healthy

of spins morning on one number in [unclear] passed my class with a 97% then Carol + Nancy gave me an opportunity to use my new skills by setting the tone bar for them and I've been doing that for them for a year and a half now.

So today I have 60% custody of my three children, been clean for eleven years, and have not been in trouble with the law for eleven years, Deserved a new trial, and have not gone hungry for eleven years. If I had not get into dancing and met Wes, sober women who know how my life would be turned out?, but I bet it would not have been as good.

... ..

Lifestyle continuously w/ my AA + NA meetings. Carol would let me come in later so I could do my meetings and outpatient care - she was very supportive of me getting my life together.

As my probation officer started to see the changes in me she decided dancing was not such a bad option for me, and she even let me have a roommate who was another dancer, and my roommate never had done a drug in her entire life.

At that point my probation officer decided that I had enough clean time to drop the U.A.'s. Also before I was dancing I had enough dirty U.A.'s that Ms. Gerber was filing charges for me to go back to jail to fulfill my original sentence. By the time the court date moved around I had almost nine months of clean time under my belt and she wanted her original recommendation of jail time - the judge explained to me I was "walking a tight rope" and he never wanted to see me in his court room again. Let me just say neither he nor any other judge has seen me again.

I got really screwed up in my chosen profession (I was a hairdresser) and cleaned up and did 180° turns for the better in a profession ^{of a profession} ~~everybody~~ seems to stereotype as a "druggie", positive lifestyle. That stereotype could not be further off base - I work with & out of ~~with~~ women who are going to school, single moms, biker, or women who are trying to open up their own businesses (coffee shops, boutiques etc.).

About two years ago I went to bartending school and came again - I could go into work, DJ - on my schedule to work the nights I wasn't

as women I work with, they would realize just how
far off base they are.

Tawilley

My style continues w/ my AA + NA meetings. Carol would
let me care in later so I could do my meetings and outpatient
care - she was very supportive of me getting my life together.

As for my probation officer started to see the changes in
me. She decided dancing was not such a bad option for me,
and she even let me have a roommate, who was another dancer,
and my roommate next had done a drug in her entire life.

At that point my probation officer decided that I had
enough clean time to drop the U.A.'s. Also before I was
dancing I had enough dirty U.A.'s that Mr. Gamber was
filing charges for me to go back to jail to finish my original
sentence. By the time the court date rolled around I had
almost nine months of clean time under my belt and she wanted
her original recommendation of jail time - the judge explained
to me I was "working a tight rope" and he never wanted
to see me in his court room again. Let me just say neither
he nor any other judge has seen me again.

I got really screwed up in my chosen
profession (I was a hairdresser) and cleaned up and did
180° turn for the better in a profession ^{life} ~~and~~ ^{seems}
to stereotype as a "druggie", prostitute, ~~and~~ ^{and} stereotype
could not be further off base - I work with a lot of
~~girls~~ women who are going to school, single moms, both,
or women who are trying to open up their own businesses (coffee
shops, boutiques etc.).

About two years ago I went to bartending
school and out again - I could go into work, but - or
rearrange my schedule to work the nights I wasn't

Charity Christensen
2836 North Circle
Anchorage, AK 99507
February 21, 2004

To Whom It May Concern:

I understand that a new law has been presented for the state of Alaska concerning 18, 19, and 20 year old adults and their entitlement to make a living as exotic dancers or to observe exotic dancing as a form of appropriate entertainment. I feel deeply affected by this due to that fact that I, and many people I care about fall into the middle of this age category. I realize the good intentions behind the proposed law, unfortunately, I, along with many others also believe it truly offends. It puts that profession down dramatically when there is nothing wrong with it. The approach to change the law has offended and degraded everyone involved in the business of dancing. It portrays the dancers as prostitutes, and/or dirty, diseased women (and men in some cases) that just use the money they make to obtain drugs, which is absolutely a false conviction. If, at the age of 18, young adults have the right to join the armed forces and die for a our wonderful country, then why can't they see the beauty of an undressed woman dancing on stage? If, at the age of 18, young adults have the right to vote for the President of the United States, which should be considered the single most important task of our adult lives, then why can't they dance in clubs and make it their form of substantial income? If, at the age of 18, young adults can be convicted and served adult sentences (and have it remain on their permanent records), then once again, why can't they observe or participate in adult type settings such as strip clubs?

Currently I am a student at the University of Alaska, Anchorage. I had previously left the state to attend another college, but abruptly returned to Alaska to finish the school year. I was born and raised in this magnificent state, and will remain here for the remainder of my years. My absolute focus right now is to attend college and eventually earn a doctorate in psychology. Unfortunately, it is a known fact that school costs an enormous amount of money. Some student's parents pay for their schooling, mine are unable to assist me. I am 19 years old and support myself in everything I do or need. I pay for my car payment, car insurance, fuel, apartment, groceries, and education. I formerly worked a steady job as a Barista, but unfortunately I did not earn enough money to sustain my financial needs. I now dance at a very prestigious club; I feel extremely safe and considerably clean. My employers care deeply for me and my colleagues. I see them, not only as my bosses, but particularly as friends. They watch over us like parents and are

there for us when we need them. Numerous girls at the club attend some form of school, and use dancing to pay their bills. It is unacceptable to take away the right we currently hold to earn money in this manner. We are all abiding citizens of the United States, and are considerably good people with high morals.

If you take away our right to earn a living this way, you are not only negatively affecting future dentists, doctors, and perhaps lawyers or biologists, but current business people as well. It's horrendous that 18, 19 and 20 year adults are being considered children still, when in fact many are completely responsible for themselves without assistance from the state or their parents. Please rethink your decision to follow through with this bill, and maybe consider who you're really affecting, and please ask yourselves the question of why exactly a bill like this is needed. Thank you for allowing me to voice my concerns, and I pray that it will some how reveal the good side of exotic dancing.

Sincerely,



Charity Christensen
Student/Dancer

ISSUED BY THE STOCK INSURANCE COMPANY HEREIN CALLED THE COMPANY

AGENT NUMBER

POLICY NUMBER

COMMERCE AND INDUSTRY INSURANCE COMPANY
5172

51161-0000

WC 155-35-04

013-52-0603-00

INCORPORATED UNDER THE LAWS OF NEW YORK
ITEM 1 NAMED INSURED MAILING ADDRESS IDENTIFICATION NO.

LANDS NORTH, INC. DBA FANTASIES ON 5TH; DEBCO, INC.
120 E 5TH AVENUE #2
ANCHORAGE, AK 99501-0000



Member Companies of
American International Group

EXECUTIVE OFFICES:

70 PINE STREET, NEW YORK, N.Y. 10270

SEE NAME AND ADDRESS SCHEDULE - WC990610

D# 540219753

AK UI#:

PRODUCERS NAME AND ADDRESS

**WORKERS COMPENSATION AND EMPLOYERS
LIABILITY POLICY INFORMATION PAGE**

C H I OF ALASKA INC
507 W NORTHERN LIGHTS BLVD
ANCHORAGE, AK 99503-0000

INSURED IS
CORPORATION

PREVIOUS POLICY NUMBER
RENEWAL 005681016

OTHER WORKPLACES NOT SHOWN ABOVE: SEE NAME AND ADDRESS SCHEDULE - WC990610

ITEM 2 POLICY PERIOD 12:01 A.M. standard time at the insured's
mailing address

FROM 06/24/03 TO 06/24/04

ITEM 3 A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed
here:
AK

B. Employers Liability Insurance: Part Two of the policy applies to the work in each state listed in item 3.A.
The limits of our liability under Part Two are:

Bodily Injury by Accident \$ 500,000 each accident
Bodily Injury by Disease \$ 500,000 policy limit
Bodily Injury by Disease \$ 500,000 each employee

C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here:

AL AR AZ CO CT DC DE FL GA HI IA ID IL IN KS KY LA MA MD MI MN MO MS MT NC NE NH NJ NM
NV NY OK OR PA RI SC SD TN TX UT VA VT WI

ITEM 4 The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans.
All information required below is subject to verification and change by audit.

Classifications	Code Number	Estimated Total Remuneration		Rate Per \$100 OF Remuneration	Estimated Premium	
		<input checked="" type="checkbox"/> Annual	<input type="checkbox"/> 3 Year		<input checked="" type="checkbox"/> Annual	<input type="checkbox"/> 3 Year
SEE EXTENSION OF INFORMATION PAGE - WC7754 TAXES/ASSESSMENTS/SURCHARGES						\$236

EXPENSE CONSTANT (EXCEPT WHERE APPLICABLE BY STATE)

MINIMUM PREMIUM \$500 AK

TOTAL ESTIMATED PREMIUM

\$12,851

* Indicated below, interim adjustments of premium shall be made:

Semi-Annually

Quarterly

Monthly

DEPOSIT PREMIUM

ENDORSEMENTS (FORM NUMBER)

SEE ATTACHED FORM SCHEDULE - WC990612

EMPLOYERS' NOTICE OF INSURANCE

TO THE EMPLOYEES OF THE UNDERSIGNED:

Your employer is insured by:

AMERICAN HOME ASSURANCE COMPANY, AN AIG COMPANY

Insurer (or Insurance Company)

P.O. BOX 409 300 INTERPACE PARKWAY BUILDING C 1ST FLOOR

Street and Number

PARSIPPANY

NEW JERSEY

07054

City

State

Zip Code

For the period from June 24, 2003 through June 24, 2004

WILTON ADJUSTMENT

Alaska Adjusting Company

P.O. BOX 92670

Street and Number

ANCHORAGE

ALASKA

99509-2670

City

State

Zip Code

This insurance pays benefits for job-connected injuries, illnesses or death as provided by the Alaska Workers' Compensation Act.

Employer

Sands North, Inc. dba Fantasies on 5th; Debco, Inc.

Title

Witness

Witness

Immediately (not later than 30 days from injury or death date) give your employer and the Alaska Workers' Compensation Board written notice of a job-related injury, illness or death. Get the "Report of Occupational Injury or illness" form from your employer for this purpose.

If you have questions about your rights or benefits under the Alaska Workers' Compensation Act, contact the insurer at the above address and the Alaska Workers' Compensation Board at the nearest office listed below:

ANCHORAGE

3301 Eagle Street

Box 107019

Anchorage, AK 99510-7019

FAIRBANKS

674 Seventh Avenue

Station H2

Fairbanks, AK 99701-4593

JUNEAU

1111 West 8th Street

Box 25512

Juneau, AK 99802-5512

NOTICE TO EMPLOYER: AS 23.30.060 requires that you post this notice in three conspicuous places on the employer's premises.

Subject: Offnet participants for HB 367

Date: Mon, 16 Feb 2004 12:57:43 -0900

From: Heath Hilyard <Heath_Hilyard@Legis.state.ak.us>

Organization: Office of Rep. Lesil McGuire

To: Vanessa Tondini <Vanessa_Tondini@legis.state.ak.us>

At this time, I know of the following individuals who will be offnet to participate in today's committee hearing:

Paul Harris, Director of Police for the Fairbanks Police Department
Gary Apperson, retired APD officer and abnormal psychology researcher
Jim Gord & Tracie Hester - Showboat club in Fairbanks

Doug Griffin, ABC Board

Heath Hilyard <Heath_Hilyard@legis.state.ak.us>

Chief Of Staff

Alaska State Legislature

Office of Rep. Lesil McGuire



Alaska State Legislature

Representative Lesil McGuire

Representative Les Gara

Official Business, State Capitol, Juneau, Alaska, 99801

Sponsor Statement For HB 367:

Protection Of Young Adults and Minors, and Requirements For Protective Licensing at Strip Clubs, Massage Parlors and Other Nude Entertainment Establishments

Introduction

The Statewide Parent Teacher Association (PTA) has passed a resolution asking the Legislature to pass a law to protect under 21-year-old employees and minors from some of the ill effects caused by strip clubs, massage parlors and other nude entertainment businesses. Accordingly, it has worked to help craft HB 367. Among the findings in the statewide PTA resolution, from a review of studies and court findings, is a showing that the operation of sexually oriented businesses leads to higher rates of crime, including sexual assaults, prostitution, drug sales and drug use.

The primary goals of HB 367 are: to permit the legal operation of these businesses while protecting young Alaskans who work at them; to protect minors; and to protect the public from operations by those adult establishments that do not follow the law.

Summary of Bill Provisions

HB 367 protects the public and young adults in the following ways.

- It prohibits nude entertainment from sharing a common entrance, restroom or hallway with businesses or residences used by minors.
- It prohibits the use of closed private booths where illegal sexual activities may occur.
- It prohibits the operation of sexually oriented businesses by those with felony records, or records involving sexually-related, drug-related, or violence-related crimes.
- It prohibits the employment of nude or semi nude entertainers under the age of 19.
- It requires entertainers to obtain a license, and prove they have attended a state approved course teaching the entertainer how to

protect her/himself from sexual assault; and a course teaching entertainers of wage and working condition violations that occur in this area of business.

- It requires entertainers under 21 years old to show they have attended a state-approved counseling session that is aimed at letting young adults know of career and educational alternatives, and financial aid and vocational training, available to them as viable options to entering or remaining in a career in adult entertainment. While it is likely unconstitutional to ban all 21 year olds from these jobs, it is important that young adults at least know about other life options. Many young adults who enter into these careers come from backgrounds where those options are not fairly discussed.

- Entertainers under age 21 shall also be required to show they have taken a state-approved course on sexually transmitted diseases.

- Businesses and entertainers are required to obtain licenses to show these requirements have been followed. The state, as it does in other areas, will set the license fees at a level to cover the state's costs of administration and enforcement in this area.

- Communities shall be apprised of adult business license applications through reasonable public notice rules.

- It allows suspension of an adult entertainment business license if provisions of this law are knowingly violated.

Please feel free to contact either Rep. McGuire's or Rep. Gara's offices with any questions you may have.

Representative Lesil McGuire
Alaska State Capitol, Rm. 118
Juneau, AK 99801

465-2995

Representative_Lesil_McGuire@legis.state.ak.us

Representative Les Gara
Alaska State Capitol, Rm. 422
Juneau, AK 99801

465-2647

Representative_Les_Gara@legis.state.ak.us

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 12.1 6th St., Rm. 329

MEMORANDUM

January 21, 2004

SUBJECT: Sectional Summary of HB 367 (Work Order No. 23-LS1394D)

TO: Representative Les Gara
Attn: Ryan Peterson

FROM: Barbara R. Craver 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

The bill adds a new chapter, "Chapter 90. Sex-oriented Businesses and Entertainers," to Title 8, Business and Professions. The chapter is divided into three articles for sake of organization: Licensing, Miscellaneous, and General.

Section 1. Adds this chapter to the list of types of licenses in Title 8.

Section 2. Adds a new chapter to Title 8.

Article 1. Licenses

Sec. 08.90.010 License required. Prohibits a person from

- working in a sex-oriented business as an entertainer without an entertainer license, or working as an entertainer in an unlicensed business;
- operating a sex-oriented business without a business license issued under this chapter, or permitting an unlicensed entertainer to work in the licensed business;
- allowing another person to use the licensee's license;
- obtaining or attempting to obtain a license by fraud;
- permitting entertainers to be in contact with customers;
- allowing tipping of entertainers by customers.

Sec. 08.90.020. Sex-oriented business license. Requires an application submitted to the department to obtain a business license.

Sec. 08.90.030. Sex-oriented business entertainer license. Requires an application submitted to the department to obtain an entertainer license.

Sec. 08.90.040. Regulations for sex-oriented business licenses. Directs the department to create licensing regulations to specifically address and implement the following policies:

- no sharing with a residential unit inhabited by a minor of any:
 - (A) public entrance;
 - (B) restroom or entrance to a restroom; or
 - (C) hallway;
- physical separation of entertainers from patrons during performances;
- open booths;
- consent of property owner to operation of the sex-oriented business;
- applicants must not have been convicted of specified criminal acts within ten years of the date of the application.

Sec. 08.90.050. Regulations for sex-oriented business entertainer licenses. Directs the department to enact licensing regulations to specifically address and implement the following policies for entertainer licensees: entertainers must

- be at least 19 years of age;
- receive education about assertiveness training and wage and hour laws; and
- have other qualifications and training deemed to be required by the department.

Sec. 08.90.060. Additional provisions for sex-oriented business entertainer licenses for adults who are 19 or 20 years of age. Directs the department to require through its regulations that applicants for entertainer licenses take a course on career and educational opportunities outside the sex-oriented entertainment business. The cost of the additional cost of this training is to be passed on to businesses that employ entertainers who are 19 or 20.

Sec. 08.90.070. Application for a new license or permit. Sets out requirements for an application.

Sec. 08.90.075. Notice of application for sex-oriented business license. Provides for notice to the public, community councils, and nonprofit community organizations.

Sec. 08.90.080. Fees. Directs the department to collect fees to cover the costs of administering the program under AS 08.01.065.

Sec. 08.90.090. Grounds for denial, suspension, or revocation.

Sec. 08.90.100. Criminal justice information and records. Requires applicants to submit fingerprints and appropriate fees so that the department can conduct a criminal background investigation.

Sec. 08.90.110. Person and location for sex-oriented business license. Requires that licenses are issued only to specific individuals and for specific locations.

Article 2. Miscellaneous

Sec. 08.90.300. Disciplinary sanctions. Provides the department with remedies and procedures for violations by licensees and permittees.

Sec. 08.90.310. Violations. Establishes criminal offenses for violations of the licensing statutes.

Sec. 08.90.320. Limitation of liability. This provides immunity from suit to a person who reports, investigates or participates in a proceeding in good faith regarding a person having a license or permit under this chapter.

Sec. 08.90.330. Accessibility of license and licensed premises to inspection.

Sec. 08.90.340. License a privilege. Making it clear that a license or permit is not a property right.

Sec. 08.90.345. Access of persons under the age of 18 to licensed premises. Establishes standard of care for licensees in allowing persons under 18 into the licensed premises. This can be used to impose disciplinary sanctions on licenses or violations. AS 11.66.300 already makes it a crime to allow minors into an adult entertainment establishment.¹

Sec. 08.90.350. Proof of age. This language comes from the regulation of alcoholic beverages, AS 04.21.050. It establishes the standard of care to be used by licensees in keeping minors out of licensed premises.

Sec. 08.90.360. Responsibility of licensees, agents, and employees. This language comes from the regulation of alcoholic beverages, AS. 04.21.030. It establishes the standard of care of those listed for complying with this chapter.

Article 3. General Provisions

¹ Sec. 11.66.300. Prohibiting minors from being present at an adult entertainment business.

(a) The owner or an agent or employee of the owner of a business that offers adult entertainment may not with criminal negligence allow a person under the age of 18 years to enter and remain within premises where adult entertainment is offered.

(b) In this section, "business that offers adult entertainment" has the meaning given in AS 23.10.350(f).

(c) A person who violates this section is guilty of a class A misdemeanor. Each violation is a separate offense.

Representative Les Gara
January 21, 2004
Page 4

AS 08.90.500. Definitions. This section defines the special terms used in this chapter.

Sections 3, 4 and 5. These sections will take effect in the event that a court finds that AS 08.90.050(1) violates the constitution. That subsection restricts entertainer licenses to persons 19 years of age. The effect of these sections will be to make the statutes refer to entertainers who are 18 years of age as well as those under 21 years.

Section 6. Provides that the provisions of the act are severable.

Section 7. This section describes the contingency under which sections 3, 4 and 5 will become effective.

Section 8. This section establishes what date the contingency will be considered to have occurred, thus establishing the effective date for those sections.

Section 9. Establishes the effective date for the rest of the bill, sections 1, 2, 6 and 7.

If I may be of further assistance, please advise.

BRC:med
04-062.med

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101

State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

February 3, 2004

SUBJECT: Sex-oriented businesses, CSHB 367(L&C)
(Work Order No. 23-LS1394\I)

TO: Representative Tom Anderson
Chair of House Labor and Commerce Committee
Attn: Josh Applebee

FROM: Barbara R. Craver *BRC*
Legislative Counsel

Enclosed is the Labor and Commerce committee substitute for HB 367. The committee decided to amend version H with amendment #1 (23-LS1394\D.3) drafted to amend version D. Because version H has new concepts not found in version D, the new bill version contains some new sections which I will explain below. I also want to draw your attention to a couple of issues that you may want to resolve in the committee process.

Version I explanation

In this I version, all references to the minimum age of entertainers were changed from age 19 to age 21. Version H had created two types of sex-oriented business licenses, one for businesses using entertainers at least 21 years of age, and one for businesses using entertainers at least 19 years of age. Because, under Version I, all entertainers are required to be at least 21 years of age those two sections were changed so that there is only one kind of business license under AS 08.90.020. This was not in amendment #1, but was needed to accomplish the intent of the amendment.

Version H contained a section, AS 08.90.060, which provides additional training for entertainers who are 19 or 20 years old. This is removed from version I as unnecessary because all entertainers must be at least 21 years old. This follows amendment #1 because version D and version H both had this section.

The fee section in version H, AS 08.90.080, provided two different fees for the two types of sex-oriented business licenses; this has been eliminated in version I. This was not in amendment #1, but was needed to accomplish the intent of the amendment. Subsection (b) was removed as it pertained to the extra cost of training for entertainers 19 and 20 years of age, as directed by amendment #1.

The age of persons allowed in a licensed premises in AS 08.90.350, (as numbered in this I version) is raised to 21, and the proof of age section, AS 08.90.350 is also raised to reflect the 21 year old minimum age.

Representative Tom Anderson
February 4, 2004
Page 2

A change was made to version H in regard to the definition of sex-oriented business licensee in AS 08.90.500(9) to eliminate a reference to the second type of business license for businesses employing entertainers 19 years old and over.

Several changes occur in sections 3 - 12 which provide bill sections to take effect in the event that the age restrictions were found to be unconstitutional. These changes in version I enact those provisions of version H which contained age related issues. The reenacted sections include the two business license system introduced in version H for 18 and over and 21 and over business licenses. All references to entertainers who are 19 and 20 are changed to reflect an 18 - 20 year old entertainer category, and the 21 and older entertainer category.

New contingency clause may be prudent

Sections 3 - 12 of this bill are drafted to "save" the regulation of sex-oriented businesses in the event that the 21 year old age restriction on entertainers in the bill make portions of the bill unconstitutional. The change to AS 08.90.350 (as numbered in this I version) in section 2 of the bill, which limits the access of persons under 21 to enter a sex-oriented business, raises an independent constitutional issue. In any subsequent version of this bill, it would be prudent to treat this as an independent contingency, with its own set of reenacted sections if that section were to be found unconstitutional.

Age of business licensee

Under this and all previous versions of the bill, the age of the person applying for a sex-oriented business license has not been restricted. An 18-year old otherwise qualified might obtain a license to operate a business. Now that access to a licensed premises is raised to age 21 in AS 08.90.350, there may be a problem with the presence of a licensee in the licensed premises if that licensee is under 21 years of age. Apparently this same sort of ambiguity exists in regard to alcohol licenses where a person may be eligible to be licensed to own and operate a business that requires an alcoholic beverage license and yet not be able to enter the premises or portions of the premises where the business is operated because of age restrictions on the consumption of alcohol. Endorsements of business licenses to sell tobacco products are also not restricted by age, although the sale of tobacco to persons under 19 years of age is prohibited.

If I may be of further assistance, please advise.

BRC:med
04-133.med

Enclosure

cc with enclosure: Representative Lesil McGuire, Co-prime sponsor
Representative Les Gara, Co-prime sponsor

23-LS1394H
Craver
1/30/04

CS FOR HOUSE BILL NO. 367()
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTY-THIRD LEGISLATURE - SECOND SESSION

BY

Offered:
Referred:

Sponsor(s): REPRESENTATIVES MCGUIRE AND GARA

A BILL
FOR AN ACT ENTITLED

1 **"An Act relating to the licensing and regulation of sex-oriented businesses and sex-**
2 **oriented business entertainers; relating to protection of the safety and health of and to**
3 **education of young persons who perform in adult entertainment establishments; and**
4 **providing for an effective date."**

5 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

6 *** Section 1.** AS 08.01.010 is amended by adding a new paragraph to read:
7 (38) regulation of sex-oriented businesses and sex-oriented business
8 entertainers under AS 08.90.

9 *** Sec. 2.** AS 08 is amended by adding a new chapter to read:

10 **Chapter 90. Sex-Oriented Businesses and Entertainers.**

11 **Article 1. Licensing.**

12 **Sec. 08.90.010. License required.** A person may not

13 (1) work as a sex-oriented business entertainer without a sex-oriented
14 business entertainer license;

1 (2) operate a sex-oriented business without a 21 and over sex-oriented
2 business license or a 19 and over sex-oriented business license;

3 (3) permit a sex-oriented business entertainer to work in a sex-oriented
4 business without a sex-oriented business entertainer license;

5 (4) permit the use of the person's sex-oriented business entertainer
6 license by another person;

7 (5) obtain or attempt to obtain a license under this chapter by
8 fraudulent means.

9 **Sec. 08.90.020. Sex-oriented business license for premises employing**
10 **entertainers at least 21 years old.** An applicant for a license to operate a sex-
11 oriented business employing sex-oriented business entertainers 21 years of age and
12 older at a licensed premises shall submit to the department, in the manner and on
13 forms prescribed by the department, written evidence, verified by oath, that the
14 applicant meets the qualifications to operate a sex-oriented entertainment business,
15 and that the owner of the premises consents to the operation of the sex-oriented
16 business on the premises. A licensee under this section may not employ a sex-oriented
17 business entertainer who is less than 21 years of age.

18 **Sec. 08.90.025. Sex-oriented business license for premises employing**
19 **entertainers at least 19 years old.** An applicant for a license to operate a sex-
20 oriented business employing sex-oriented business entertainers 19 years of age and
21 older at a licensed premises shall submit to the department, in the manner and on
22 forms prescribed by the department, written evidence, verified by oath, that the
23 applicant meets the qualifications to operate a sex-oriented entertainment business,
24 and that the owner of the premises consents to the operation of the sex-oriented
25 business on the premises. A licensee under this section may not employ a sex-oriented
26 business entertainer who is less than 19 years of age.

27 **Sec. 08.90.030. Sex-oriented business entertainer license.** (a) An applicant
28 for a license to work as a sex-oriented business entertainer shall submit to the
29 department, in the manner and on forms prescribed by the department, written
30 evidence, verified by oath, that the applicant meets the qualifications to work as a sex-
31 oriented business entertainer.

1 (b) A sex-oriented business entertainer license may only be issued to a natural
2 person.

3 **Sec. 08.90.040. Regulations for sex-oriented business licenses.** The
4 department shall by regulation establish requirements for licensing businesses
5 providing sex-oriented entertainment at the premises specified in the application,
6 licensure and renewal procedures, inspection procedures, standards, fees, and
7 requirements for operation. In adopting regulations under this section, the department
8 shall regulate the following standards of conduct and physical characteristics of
9 licensed premises:

10 (1) unless the sex-oriented business owner resides on the business
11 premises and the sex-oriented business owner is a legal guardian of minors residing in
12 the residential unit, a licensed sex-oriented business premises may not share with any
13 residential unit inhabited by minors a

14 (A) public entrance;

15 (B) restroom or entrance to a restroom; or

16 (C) hallway;

17 (2) the interior layout of the premises of a sex-oriented business must
18 physically separate sex-oriented business entertainers from patrons during
19 performances and ensure that any booth, stall, room, or partitioned portion of a room
20 is open to view from a public room of the premises, except for private offices or other
21 rooms that are not open to any person other than employees, or individual restrooms
22 on the premises;

23 (3) an applicant shall provide satisfactory evidence that the owner of
24 the real property in which the sex-oriented business is conducted consents to the
25 operation of the sex-oriented business;

26 (4) an individual whose name and address is required to be provided
27 with an application for a license under AS 08.90.070 may not have been convicted of
28 any of the following offenses:

29 (A) prostitution or promotion of prostitution; unlawful
30 exploitation of a minor; possession or distribution of child pornography;
31 indecent exposure; sexual assault; sexual abuse of a minor; or any similar sex-

1 related offenses to those described above under the criminal or penal code of
 2 this state, other states, or other countries; tax evasion; underage employment;
 3 alcohol violations; illegal drugs; allowing a minor to enter and remain within
 4 premises where adult entertainment is offered; or any offense causing
 5 revocation of a sex-oriented business license or sex-oriented business
 6 entertainer license; or

7 (B) an offense for which less than 10 years have elapsed since
 8 the date of conviction or the date of release from confinement imposed for a
 9 conviction, whichever date is later, if the conviction is of a felony offense.

10 **Sec. 08.90.050. Regulations for sex-oriented business entertainer licenses.**

11 The department shall by regulation establish requirements for licensing sex-oriented
 12 business entertainers, including licensure and renewal procedures. In adopting
 13 regulations under this section, the department shall require sex-oriented business
 14 entertainers to

15 (1) be at least 19 years of age;

16 (2) receive education about

17 (A) assertiveness training to protect sex-oriented business
 18 entertainers against sexual and or physical assaults;

19 (B) wage and hour laws to protect sex-oriented business
 20 entertainers against improper pay deduction claims and working hour or
 21 condition requirements; and

22 (C) any other area the department considers necessary for
 23 protection of the health or safety of sex-oriented business entertainers; and

24 (3) have the other qualifications and training that the department
 25 considers necessary.

26 **Sec. 08.90.060. Additional provisions for sex-oriented business entertainer**
 27 **licenses for persons who are 19 or 20 years of age.** In addition to educational
 28 information required under AS 08.90.050, the department shall by regulation establish
 29 educational requirements for entertainer license applicants who are 19 or 20 years of
 30 age. An entertainer license applicant shall attend a course developed by the
 31 department to inform applicants of career and educational opportunities that are not

1 part of the sex-oriented entertainment business and shall be given counseling on the
2 prevention of sexually transmitted diseases.

3 **Sec. 08.90.070. Application for license.** (a) An applicant for a license shall
4 file with the department a written application, signed and sworn to by the applicant,
5 giving the applicant's name and address. If the applicant is a corporation, the
6 application shall be executed by the authorized officers of the corporation. If the
7 applicant is a partnership, including a limited partnership, the application shall be
8 executed by an authorized general partner. The application must include

9 (1) the type of license desired;

10 (2) the license fee;

11 (3) any other information required by the department.

12 (b) A corporation applying for a sex-oriented business license shall provide
13 the names and addresses of the president, vice-president, secretary, managing officer,
14 and all stockholders who own 10 percent or more of the stock in the corporation,
15 together with any other information required by the department.

16 (c) A partnership, including a limited partnership, that applies for a license
17 shall provide information required by the department including the names and
18 addresses of all general partners and all partners with an interest of 10 percent or
19 more.

20 (d) A limited liability organization that applies for a license shall provide
21 information required by the department, including the names and addresses of all
22 members with an ownership interest of 10 percent or more and the names and
23 addresses of all managers.

24 **Sec. 08.90.075. Notice of application for sex-oriented business license.** (a)
25 Before a new license is issued, the applicant shall post a copy of the application for 10
26 days at the location of the proposed licensed premises and at any additional locations
27 designated by the department. The department may require the applicant to provide

28 (1) a copy of the application to newspapers and radio and television
29 stations for public service announcement; or

30 (2) paid notice of the application once each week for three successive
31 weeks in a newspaper or by radio.

1 (b) Upon receipt of an application for the issuance or renewal of a license for
2 premises or proposed premises that are located within one-half mile of the boundary of
3 a community council established by municipal charter or ordinance, the department
4 shall

5 (1) immediately provide written notice of the application to

6 (A) the community council; and

7 (B) any nonprofit community organization that has requested
8 notification in writing; and

9 (2) at least 10 days before the date set for departmental action on the
10 application, provide written notice of the proposed action to

11 (A) the community council; and

12 (B) any nonprofit community organization that has requested
13 notification in writing.

14 **Sec. 08.90.080. Fees.** (a) The department shall set fees under AS 08.01.065
15 for each of the following:

16 (1) a 21 and over sex-oriented business license application or renewal;

17 (2) a 19 and over sex-oriented business license application or renewal;

18 and

19 (3) a sex-oriented business entertainer license application or renewal.

20 (b) A sex-oriented business licensee who is entitled to employ sex-oriented
21 business entertainers who are 19 or 20 years of age shall be assessed fees to fully
22 defray the cost of providing the educational and counseling requirement described in
23 AS 08.90.060.

24 **Sec. 08.90.090. Grounds for denial, suspension, or revocation of license.**

25 The department may deny, suspend, or revoke the license of a person who

26 (1) has obtained or attempted to obtain a license under this chapter by
27 fraud or deceit;

28 (2) has been convicted of a felony or other crime if the felony or other
29 crime is substantially related to the qualifications, functions, or duties of the licensee;

30 or

31 (3) has wilfully or repeatedly violated a provision of this chapter or

1 regulations adopted under it.

2 **Sec. 08.90.100. Person and location for sex-oriented business license.** (a)

3 Each sex-oriented business license shall be issued to a specific individual or
4 individuals, to a partnership, including a limited partnership, to a limited liability
5 organization, or to a corporation. If the license is issued to a corporation or a limited
6 liability organization, the registered agent of the corporation or limited liability
7 organization is required to be an individual resident of the state.

8 (b) A specific location shall be indicated on the license as the licensed
9 premises, the principal address of which shall be indicated on the license. The mailing
10 address of a licensee or, if the licensee is a corporation, the address of the registered
11 office of the corporation must be kept current and on file in the main office of the
12 department.

13 (c) A license issued by the department is not transferable or assignable.

14 (d) A licensed facility shall report to the department

15 (1) permanent closing; and

16 (2) other matters and occurrences the department may require by
17 regulation.

18 **Article 2. Miscellaneous Provisions.**

19 **Sec. 08.90.300. Disciplinary sanctions.** (a) If, after a hearing, the
20 department finds that a licensee has committed an act set out in AS 08.90.090, the
21 department may

22 (1) permanently revoke a license issued under this chapter or suspend a
23 license for a determinate period of time; and

24 (2) impose a civil fine of not more than \$10,000.

25 (b) The department may summarily suspend a license before final hearing or
26 during the appeals process if the department finds that the licensee poses a clear and
27 immediate danger to the public health and safety if the licensee continues to work or
28 operate under a license issued under this chapter. A person whose license is
29 suspended under this subsection is entitled to a hearing by the department not later
30 than seven days after the effective date of the order.

31 (c) A person who receives a disciplinary sanction under this section may

1 appeal the sanction to a court of competent jurisdiction.

2 (d) The department shall be consistent in the application of disciplinary
3 sanctions. A significant departure from earlier decisions of the department involving
4 similar situations must be explained in findings of fact or orders made by the
5 department.

6 **Sec. 08.90.310. Violations.** (a) A person who violates this chapter is guilty
7 of a misdemeanor and, upon conviction, is punishable by a fine of not more than
8 \$5,000, or by imprisonment for not more than one year, or by both. Each day of
9 illegal practice is a separate offense.

10 (v) A person who knowingly provides false information in an application for a
11 sex-oriented business license or a sex-oriented business entertainer license is guilty of
12 a misdemeanor and, upon conviction, is punishable by a fine of not more than \$5,000,
13 or by imprisonment for not more than one year, or by both, except that a person who
14 knowingly provides false information about the applicant's specified criminal activity
15 is guilty of a class C felony.

16 **Sec. 08.90.320. Limitation of liability.** An action may not be brought against
17 a person for damages resulting from a report made in good faith to a public agency by
18 the person or participation by the person in an investigation by a public agency or an
19 administrative or judicial proceeding relating to the report if the report relates to a
20 person who has a license under this chapter.

21 **Sec. 08.90.330. Accessibility of license and licensed premises to inspection.**
22 (a) A sex-oriented business licensee shall, upon request, make the licensed premises
23 available for inspection by officers charged with the enforcement of this chapter,
24 including employees of the department, during all regular business hours.

25 (b) A license for a sex-oriented business issued under this chapter shall be
26 conspicuously posted within the licensed premises so as to be easily viewed by the
27 public and available for inspection upon request by a peace officer or other person
28 during regular business hours.

29 **Sec. 08.90.340. License a privilege.** (a) A license issued under this chapter
30 is a personal privilege, not a property right.

31 (b) The privilege conferred upon the licensee is personal in nature and affords

1 protection to the licensee only.

2 **Sec. 08.90.345. Access of persons under 18 years of age to licensed**
3 **premises.** A licensee or an agent or employee of a sex-oriented business licensee may
4 not with criminal negligence allow a person under 18 years of age to enter and remain
5 within licensed premises. In this section, "criminal negligence" has the meaning given
6 in AS 11.81.900.

7 **Sec. 08.90.350. Proof of age.** (a) If a sex-oriented business licensee or an
8 agent or employee of the sex-oriented business licensee questions or has reason to
9 question whether a person entering licensed premises has attained the age of 18 years,
10 the licensee, agent, or employee shall require the person to furnish proof of age
11 acceptable under (b) of this section in a form determined by the department. If the
12 person questioned does not furnish proof of age acceptable under (b) of this section, or
13 if a licensee, agent, or employee questions or has reason to question the validity of the
14 proof of age furnished, the licensee, employee, or agent shall require the person to sign
15 a statement that the person is over 18 years of age. This statement shall be made on a
16 form prepared by and furnished to the licensee by the department.

17 (b) A valid driver's license or a valid identification card is acceptable as proof
18 of age when used for identification in securing entry to and remaining on the premises
19 of a sex-oriented business if the license or identification card is made of or encased in
20 plastic and contains a photograph of the licensee or card holder and a statement of age
21 or date of birth.

22 (c) A licensee or an agent or employee of the licensee may not be charged for
23 a violation of AS 08.90.345 if a signed statement as provided in (a) of this section is
24 secured in good faith, or if a valid driver's license or identification card is presented
25 indicating that the owner and possessor of the presented driver's license or
26 identification card is 18 years of age or older.

27 **Sec. 08.90.360. Responsibility of licensees, agents, and employees.** A sex-
28 oriented business licensee has a duty to exercise that degree of care that a reasonable
29 person would observe to ensure that a business under the person's control is lawfully
30 conducted. This duty of the licensee includes ensuring the compliance

31 (1) by agents or employees with this chapter and regulations adopted

1 under this chapter, including acting with reasonable diligence to determine that agents
2 or employees are advised of the provisions of this chapter and the regulations adopted
3 under this chapter, either by securing the agent's or employee's written
4 acknowledgment of posted instructions or otherwise; and

5 (2) of the premises with public health, fire, and safety codes and
6 ordinances of the state or municipality having jurisdiction.

7 **Article 3. General Provisions.**

8 **Sec. 08.90.500. Definitions.** In this chapter,

9 (1) "department" means the Department of Community and Economic
10 Development;

11 (2) "employee" means a person who performs any service on the
12 premises of a sex-oriented business on a full-time, part-time, contract, or independent
13 basis, whether or not the person is an employee, independent contractor, agent, or
14 otherwise and whether or not the said person is paid a salary, wage, or other
15 compensation by the operator of the sex-oriented business; "employee" does not
16 include a person exclusively on the premises for repair or maintenance of the premises
17 or equipment on the premises, or for the delivery of goods to the premises, nor does
18 "employee" include a person exclusively on the premises as a patron or customer;

19 (3) "nudity" means the appearance of an anus, anal area, pubic area,
20 male genitals, female genitals, or vulva, either bare or with less than a fully opaque
21 covering; or a female breast with less than a fully opaque covering of any part of the
22 areola;

23 (4) "premises" means the real property on which the sex-oriented
24 business is located, including the sex-oriented business, the grounds, private
25 walkways, parking lots, and parking garages of the sex-oriented business under the
26 ownership, control, or supervision of the licensee, as described in the application for a
27 sex-oriented business license under this chapter;

28 (5) "semi-nude" or "semi-nudity" means the appearance of the female
29 breast below a horizontal line across the top of the areola at its highest point; this term
30 includes the entire lower portion of the human female breast, but does not include any
31 portion of the cleavage of the human female breast exhibited by a dress, blouse, skirt,

1 leotard, bathing suit, or other wearing apparel if the areola is not exposed in whole or
2 in part;

3 (6) "sex-oriented business" means a person who offers entertainment at
4 a premises for compensation for the sexual interests or titillation of an audience or
5 customers' entertainment involving a person who personally appears before the
6 audience or customers in a state of nudity or semi-nudity;

7 (7) "sex-oriented business entertainer" means an employee of a sex-
8 oriented business who performs one or more services described in (6) of this section
9 for the sexual interests or titillation of an audience or customers;

10 (8) "sex-oriented business license" means a license issued under
11 AS 08.90.020 and 08.90.025;

12 (9) "sex-oriented business licensee" means a person licensed under
13 AS 08.90.020 or 08.90.025.

14 * **Sec. 3.** AS 08.90.010 is repealed and reenacted to read:

15 **Sec. 08.90.010. License required.** A person may not

16 (1) work as a sex-oriented business entertainer without a sex-oriented
17 business entertainer license;

18 (2) operate a sex-oriented business without a 21 and over sex-oriented
19 business license or an 18 and over sex-oriented business license;

20 (3) permit a sex-oriented business entertainer to work in a sex-oriented
21 business without a sex-oriented business entertainer license;

22 (4) permit the use of the person's sex-oriented business entertainer
23 license by another person;

24 (5) obtain or attempt to obtain a license under this chapter by
25 fraudulent means.

26 * **Sec. 4.** AS 08.90.025 is repealed and reenacted to read:

27 **Sec. 08.90.025. Sex-oriented business license for premises employing**
28 **entertainers at least 18 years old.** An applicant for a license to operate a sex-
29 oriented business employing sex-oriented business entertainers 18 years of age and
30 older at a licensed premises shall submit to the department, in the manner and on
31 forms prescribed by the department, written evidence, verified by oath, that the

1 applicant meets the qualifications to operate a sex-oriented entertainment business,
2 and that the owner of the premises consents to the operation of the sex-oriented
3 business on the premises. A licensee under this section may not employ a sex-oriented
4 business entertainer who is less than 18 years of age.

5 * Sec. 5. AS 08.90.050(1) is repealed and reenacted to read:

6 (1) be at least 18 years of age;

7 * Sec. 6. AS 08.90.060 is repealed and reenacted to read:

8 **Sec. 08.90.060. Additional provisions for sex-oriented business entertainer**
9 **licenses for persons who are under 21 years of age.** In addition to educational
10 information required under AS 08.90.050, the department shall by regulation establish
11 educational requirements for entertainer license applicants who are under 21 years of
12 age. An entertainer license applicant shall attend a course developed by the
13 department to inform applicants of career and educational opportunities that are not
14 part of the sex-oriented entertainment business and shall be given counseling on the
15 prevention of sexually transmitted diseases.

16 * Sec. 7. AS 08.90.080 is repealed and reenacted to read:

17 **Sec. 08.90.080. Fees.** (a) The department shall set fees under AS 08.01.065
18 for each of the following:

19 (1) a 21 and over sex-oriented business license application or renewal;

20 (2) an 18 and over sex-oriented business license application or
21 renewal; and

22 (3) a sex-oriented business entertainer license application or renewal.

23 (b) A sex-oriented business licensee who is entitled to employ sex-oriented
24 business entertainers who are under 21 years of age shall be assessed fees to fully
25 defray the cost of providing the educational and counseling requirements described in
26 AS 08.90.060.

27 * Sec. 8. The uncodified law of the State of Alaska is amended by adding a new section to
28 read:

29 SEVERABILITY. Under AS 01.10.030, the provisions of this Act are severable.

30 * Sec. 9. The uncodified law of the State of Alaska is amended by adding a new section to
31 read:

1 CONTINGENT EFFECT. (a) Sections 3 - 7 of this Act take effect only if a court of
2 competent jurisdiction whose decisions are binding in this state enters a final judgment on the
3 merits that AS 08.90.050(1), added by sec. 2 of this Act, violates the Constitution of the
4 United States or the Constitution of the State of Alaska.

5 (b) The attorney general shall promptly notify the lieutenant governor and the revisor
6 of statutes of the occurrence of the contingency described in (a) of this section.

7 * **Sec. 10.** Sections 3 - 7 of this Act take effect on the date of the attorney general's
8 notification to the lieutenant governor and to the revisor of statutes under sec. 9(b) of this Act
9 that a court has entered final judgment that AS 08.90.050(1), added by sec. 2 of this Act,
10 violates the Constitution of the United States or the Constitution of the State of Alaska and
11 that the time for an appeal of that judgment has expired or, if an appeal was taken, a final
12 order on the appeal has been entered that AS 08.90.050(1) violates the Constitution of the
13 United States or the Constitution of the State of Alaska.

14 * **Sec. 11.** Sections 1, 2, 8, and 9 of this Act take effect July 1, 2005.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
STATE OF ALASKA

(907) 465-3867 or 465-2450
FAX (907) 465-2029
Mail Stop 3101


State Capitol
Juneau, Alaska 99801-1182
Deliveries to: 129 6th St., Rm. 329

MEMORANDUM

January 30, 2004

SUBJECT: Sectional Summary (Work Order No. 23-LS1394H)

TO: Representative Lesil McGuire
Attn: Heath Hilyard

FROM: Barbara R. Craver 
Legislative Counsel

You have requested a sectional summary of the above-described bill.

As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill and the bill itself is the best statement of its contents. If you would like an interpretation of the bill as it may apply to a particular set of circumstances, please advise.

The bill adds a new chapter, "Chapter 90. Sex-oriented Businesses and Entertainers," to Title 8, Business and Professions. The chapter is divided into three articles for sake of organization: Licensing, Miscellaneous, and General.

Section 1. Adds this chapter to the list of types of licenses in Title 8.

Section 2. Adds a new chapter to Title 8.

Article 1. Licenses

Sec. 08.90.010 License required. Prohibits a person from

- working in a sex-oriented business as an entertainer without an entertainer license;
- operating a sex-oriented business without a business license issued under this chapter, or permitting an unlicensed entertainer to work in the licensed business;
- allowing another person to use the licensee's license;
- obtaining or attempting to obtain a license by fraud.

Sec. 08.90.020. Twenty-one and over sex-oriented business license. Requires an application submitted to the department to obtain a business license which is restricted in that the licensee cannot employ any sex-oriented business entertainers under 21 years of age. (This license is more restricted than AS 08.90.025)

Sec. 08.90.025. Nineteen and over sex-oriented business license. Requires an application submitted to the department to obtain a business license which is restricted in that the licensee cannot employ any sex-oriented business entertainers under 19 years of age. (This license allows the licensee to hire any licensed entertainer.)

Sec. 08.90.030. Sex-oriented business entertainer license. Requires an application submitted to the department to obtain an entertainer license.

Sec. 08.90.040. Regulations for sex-oriented business licenses. The same standards apply to applicants for a license under AS 08.90.020 or AS 08.90.025. The difference between the two licenses would be in the fee as determined by AS 08.90.090.

Directs the department to create licensing regulations to specifically address and implement the following policies:

- no sharing with a residential unit inhabited by a minor of any:
 - (A) public entrance;
 - (B) restroom or entrance to a restroom; or
 - (C) hallway;
- physical separation of entertainers from patrons during performances;
- open booths;
- consent of property owner to operation of the sex-oriented business;
- applicants must not have been convicted of specified criminal acts within ten years of the date of the application.

Sec. 08.90.050. Regulations for sex-oriented business entertainer licenses. Directs the department to enact licensing regulations to specifically address and implement the following policies for entertainer licensees: entertainers must

- be at least 19 years of age;
- receive education about assertiveness training and wage and hour laws; and
- have other qualifications and training deemed to be required by the department.

Sec. 08.90.060. Additional provisions for sex-oriented business entertainer licenses for adults who are 19 or 20 years of age. Directs the department to require through its regulations that applicants for entertainer licenses take a course on career and educational opportunities outside the sex-oriented entertainment business.

Sec. 08.90.070. Application for a new license. Sets out requirements for an application.

Sec. 08.90.075. Notice of application for sex-oriented business license. Provides for notice to the public, community councils, and nonprofit community organizations.

Sec. 08.90.080. Fees. Directs the department to collect fees to cover the costs of administering the program under AS 08.01.065. Provides that businesses that employ 19 or 20 year old entertainers shall pay fees to cover the costs of the extra training required by AS 08.90.060.

Sec. 08.90.090. Grounds for denial, suspension, or revocation of license.

Sec. 08.90.100. Person and location for sex-oriented business license. Requires that licenses are issued only to specific individuals and for specific locations.

Article 2. Miscellaneous

Sec. 08.90.300. Disciplinary sanctions. Provides the department with remedies and procedures for violations by licensees.

Sec. 08.90.310. Violations. Establishes criminal offenses for violations of the licensing statutes.

Sec. 08.90.320. Limitation of liability. This provides immunity from suit to a person who reports, investigates or participates in a proceeding in good faith regarding a person having a license or permit under this chapter.

Sec. 08.90.330. Accessibility of license and licensed premises to inspection.

Sec. 08.90.340. License a privilege. Making it clear that a license is not a property right.

Sec. 08.90.345. Access of persons under the age of 18 to licensed premises. Prohibits licensees from allowing persons under 18 into the licensed premises. This can be used to impose disciplinary sanctions on licenses or violations. AS 11.66.300 already makes it a crime to allow minors into an adult entertainment establishment.¹

Sec. 08.90.350. Proof of age. This language comes from the regulation of alcoholic beverages, AS 04.21.050. It establishes the standard of care to be used by licensees in keeping minors out of licensed premises.

Sec. 08.90.360. Responsibility of licensees, agents, and employees. This language comes from the regulation of alcoholic beverages, AS. 04.21.030. It establishes the standard of care to be used by those listed for complying with this chapter.

¹ Sec. 11.66.300. Prohibiting minors from being present at an adult entertainment business.

(a) The owner or an agent or employee of the owner of a business that offers adult entertainment may not with criminal negligence allow a person under the age of 18 years to enter and remain within premises where adult entertainment is offered.

(b) In this section, "business that offers adult entertainment" has the meaning given in AS 23.10.350(f).

(c) A person who violates this section is guilty of a class A misdemeanor. Each violation is a separate offense.

Representative Lesil McGuire
January 30, 2004
Page 4

Article 3. General Provisions

AS 08.90.500. Definitions. This section defines the special terms used in this chapter.

Sections 3 - 7. These sections will take effect in the event that a court finds that AS 08.90.050(1) violates the constitution. That subsection restricts entertainer licenses to persons 19 years of age. The effect of these sections will be to make the statutes refer to entertainers who are 18 years of age as well as those under 21 years and remove the distinction between above 19 and above 21 business licenses.

Section 8. Provides that the provisions of the act are severable.

Section 9. This section describes the contingency under which sections 3 - 6 will become effective.

Section 10. This section establishes what date the contingency will be considered to have occurred, thus establishing the effective date for sections 3 - 7.

Section 11. Establishes the effective date at July 1, 2005 for the rest of the bill.

If I may be of further assistance, please advise.

BRC:med
04-116.med

Enclosure

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

To: Rep. Lesil McGuire
Fr: Rep. Les Gara
Date: January 19, 2004

A handwritten signature in black ink, appearing to read "Les Gara".

AAH:
Barbara
Craver

Technical Amendments To HB 367

We've identified the following technical amendments that should be addressed by a substitute version of HB 367. Barbara Craver will be asked to draft a substitute with the following changes. Nancy Fair, in addition to these amendments, suggested we add one governing prohibited physical contact at these clubs. I still don't want to regulate that area but you might contact her if you disagree. See attached note, Nancy Fair suggested amendment # 3.

1. Section 2: Delete AS 08.90.010 (2)
2. Page 5 line 31 delete everything after "Action", because DCED doesn't hold hearings on license applications.
3. Add separate license for employment of under 21 year-olds as follows:
Page 6 line 7 after "renewal" add "for businesses employing sex-oriented business entertainers or age 19 and older; and (2) a sex oriented business license application or renewal for businesses employing sex-oriented business entertainers of age 21 and older." Renumber current AS 08.90.080(a)(2) as "(a)(3)."
4. Page 6 line 22 etc. Delete AS 08.90.100 allowing DCED the option to require fingerprinting and a background check. DCED says it causes them an administrative problem. If they are given the option to require fingerprinting of adult business applicants, and decide to exercise the option, they might have to add that requirement to non-sexually oriented business applicants too.
5. Page 11 line 12 add "live" after "appears".
6. Page 11 line 10 add "or organization" after "business", and delete "to the public".
7. Page 11 line 11, after "entertainment" add "for compensation".

8. Page 11 lines 14 -- 15. delete "to the public." Add "for compensation" after "customers."

ALASKA STATE LEGISLATURE



REPRESENTATIVE LES GARA

To: Rep. Lesil McGuire
Fr: Rep. Les Gara
Date: January 19, 2004

A handwritten signature in cursive, appearing to read "Les Gara", with a horizontal line extending to the right.

Technical Amendments To HB 367

We've identified the following technical amendments that should be addressed by a substitute version of HB 367. Barbara Craver will be asked to draft a substitute with the following changes. Nancy Fair, in addition to these amendments, suggested we add one governing prohibited physical contact at these clubs. I still don't want to regulate that area but you might contact her if you disagree. See attached note, Nancy Fair suggested amendment # 3.

1. Section 2: Delete AS 08.90.010 (2)
2. Page 5 line 31 delete everything after "Action", because DCED doesn't hold hearings on license applications.
3. Add separate license for employment of under 21 year-olds as follows:
Page 6 line 7 after "renewal" add "for businesses employing sex-oriented business entertainers or age 19 and older; and (2) a sex oriented business license application or renewal for businesses employing sex-oriented business entertainers of age 21 and older." Renumber current AS 08.90.080(a)(2) as "(a)(3)."
4. Page 6 line 22 etc. Delete AS 08.90.100 allowing DCED the option to require fingerprinting and a background check. DCED says it causes them an administrative problem. If they are given the option to require fingerprinting of adult business applicants, and decide to exercise the option, they might have to add that requirement to non-sexually oriented business applicants too.
5. Page 11 line 12 add "live" after "appears".
6. Page 11 line 10 add "or organization" after "business", and delete "to the public".
7. Page 11 line 11, after "entertainment" add "for compensation".

8. Page 11 lines 14 – 15. delete “to the public.” Add “for compensation” after “customers.”

Changes/suggestions for HB 367:

Nancy Fair amendments:

1. There appears to be a loophole where private clubs would be exempt from this licensing, as they don't serve "the public" (e.g. Wolffies). See suggested changes.
2. Jenny Strickler of DCED made some suggestions and clarifications regarding licensing (not to be construed as their endorsement).
3. Genital contact with stage props, money, any object transferred to another, and other people should be banned for health reasons.
4. Question: Are you allowing 18 year old owners to only hire older people? What about protecting them from this type of business?

Amd. AS 08 90 500 sub sec 6

- Regulate only people who appear nude in person

Amd.

- 1 year away effective date

10.40.050 Adult-oriented establishment license; physical layout of premises; conduct of business.

A. *Definitions.* For the purpose of this section, the following words and phrases shall have the meanings indicated in this subsection:

Adult-oriented establishment, or adult business, shall include, but is not limited to, adult bookstores, adult motion picture theaters, adult mini-motion picture establishments, physical culture studios, massage parlors, escort services, or similar type businesses where, by the nature of the business, minors under the age of 18 are denied entry, or businesses which are prohibited by law from having minors or unaccompanied minors on the premises for reasons other than the sale of liquor. Provided however, that adult-oriented establishment, or adult business shall not include a business for which minors are permitted on the premises, or an adult cabaret. If a premises, whose primary business is overnight lodging, offers adult movies via a cable, closed circuit or pay per view system, in the absence of any other adult entertainment activities, the availability of such movies, does not render the business an adult-oriented establishment for the purposes of this section.

Adult bookstore means an establishment having as its stock in trade, for sale, rent, lease, inspection or viewing, books, films, videocassettes, magazines or other periodicals which are distinguished or characterized by their emphasis on matters depicting, describing or relating to specified sexual activities, or specified anatomical areas, as defined in this section, and in conjunction therewith have facilities for the presentation of adult-oriented films, movies or live performances, for observation.

Adult cabaret means a cabaret which features topless dancers, strippers, male or female impersonators, or similar entertainers.

Adult entertainment means any exhibition of any motion pictures, live performance, display or dance of any type, which has as its dominant theme, or is distinguished or characterized by an emphasis on, any actual or simulated specified sexual activities, or specified anatomical areas, as defined in this section.

Adult mini-motion picture theater means an enclosed building with a capacity of less than 50 persons used for presenting material having as its dominant theme, or distinguished or characterized by an emphasis on, matters depicting, describing or relating to specified sexual activities, or specified anatomical areas, as defined in this section, for observation by patrons therein.

Adult motion picture theater means an enclosed building with a capacity of 50 or more persons used for presenting material having as its dominant theme, or distinguished or characterized by an emphasis on, matters depicting, describing or relating to specified sexual activities, or specified anatomical areas, as defined in this section, for observation by patrons therein.

Escort service means a person or business that furnishes, offers to furnish or advertises to furnish escorts for a fee, tip or other consideration or prohibits service to or entry onto their premises of minors under the age of 18. Escort service shall not include computerized or telephonic services which do not allow access to the premises by customers.

Operators means any person, partnership or corporation operating, conducting, maintaining or owning any adult-oriented establishment.

Physical culture studio or massage parlor means an establishment where minors are not allowed which:

- a. Provides any of the following services for hire or compensation:
 1. Baths or bathing facilities;
 2. Steamrooms, saunas or related facilities;
 3. Modeling or modeling facilities;
 4. Services involving the use of conditioning or exercise equipment;
 5. Massage or related services; and

- b. Does not have a license for the practice of a profession or vocation licensed or regulated under AS Title 8 or which provides services through persons acting as employees, independent contractors or otherwise who do not have a current license to provide such services pursuant to AS Title 8.

Specified anatomical areas means:

- a. Less than completely and opaquely covered human genitals, pubic region, buttocks, and female breast below a point immediately above the top of the areola.
- b. Human male genitals in a discernible turgid state, even if opaquely covered.

Specified sexual activities means simulated or actual:

- a. Showing of human genitals in a state of sexual stimulation or arousal.
- b. Acts of masturbation, sexual intercourse, sodomy, bestiality, necrophilia, sado-masochistic abuse, fellatio or cunnilingus.
- c. Fondling or erotic touching of human genitals, pubic region, buttock or female breasts.

B. *License required; transfer of license.*

1. Except as provided in subsection B.4 of this section, from and after May 1, 1994, no adult-oriented establishment shall be operated or maintained in the municipality without first obtaining a license to operate issued by the municipal clerk.
2. A license may be issued only for one adult-oriented establishment located at a fixed and certain place. Any person, partnership or corporation which desires to operate more than one adult-oriented establishment must have a license for each. The requirements of Section 21.45.240 will apply to each location.
3. No license or interest in a license may be transferred to any person, partnership or corporation.
4. All adult-oriented establishments existing on February 16, 1994, must submit an application for a license within 60 days of such date. If an application is not received within such date, then such existing adult-oriented establishments shall cease operations.
5. No person shall advertise or offer services regulated by this chapter unless they are licensed to provide such services pursuant to this chapter.

C. *Application for license.*

1. Any person, partnership or corporation desiring to secure an adult-oriented establishment license shall make application to the municipal clerk. The application shall be filed in triplicate with, and dated by, the municipal clerk. A copy of the application shall be distributed promptly by the municipal clerk to the municipal police department and to the applicant.
2. The application for a license shall be upon a form provided by the municipal clerk. An applicant for a license shall furnish the following information under oath:
 - a. Name and address.
 - b. Written proof that the individual is at least 18 years of age.
 - c. The address of the adult-oriented establishment and the name of the business to be operated by the applicant.
 - d. If the applicant is a corporation, the name of the corporation, the date and state of incorporation, the name and address of the registered agent and the name and address of all shareholders owning more than five percent of the stock in the corporation and all officers and directors of the corporation.

3. Within 21 days of receiving an application for a license the municipal clerk shall notify the applicant whether the application is granted or denied.
4. Whenever an application is denied, the municipal clerk shall advise the applicant in writing of the reasons for such action. If the applicant requests a hearing within ten days of receipt of notification of denial, a public hearing shall be held within ten days thereafter before the municipal clerk, as provided in this section.
5. Failure or refusal of the applicant to give any information relevant to the investigation for the application or his refusal or failure to appear at any reasonable time and place for examination under oath regarding the application or his refusal to submit to or cooperate with any investigation required by this section shall constitute an admission by the applicant that he is ineligible for such license and shall be grounds for denial thereof by the municipal clerk.

D. *Standards for issuance of license.*

1. To receive a license to operate an adult-oriented establishment, an applicant must meet the following standards:
 - a. If the applicant is an individual:
 - (1) The applicant shall be at least 18 years of age.
 - (2) The applicant must have not been convicted of a violation of this section or any of the offenses listed in subsection I.1.f(1) of this section within the two years immediately preceding the date of application.
 - b. If the applicant is a corporation:
 - (1) All officers, directors and stockholders required to be named under subsection C.2.d of this section shall be at least 18 years of age.
 - (2) The applicant must have not been convicted of a violation of this section or any of the offenses listed in subsection I.1.f(1) of this section within the two years immediately preceding the date of application.
 - c. If the applicant is a partnership, joint venture or any other type of organization where two or more persons have a financial interest:
 - (1) All persons having a financial interest in the partnership, joint venture or other type of organization shall be at least 18 years of age.
 - (2) The applicant must have not been convicted of a violation of this section or any of the offenses listed in subsection I.1.f(1) of this section within the two years immediately preceding the date of application.
2. The location for which the license is sought must meet the requirements of Section 21.45.240 or comply with that section as an existing nonconforming use. Provided however, that any structural changes required to comply with the physical layout requirements of subsection J of this section shall not terminate an existing nonconforming use right.

E. *License fee.* A license fee of \$300.00 shall be submitted with the application for a license. If the application is denied, the fee shall be returned.

F. *Display of license.* The license shall be displayed in a conspicuous public place in the adult-oriented establishment. Any premises licensed under this section shall also post a notice at all entrances that such premises are premises where minors are not allowed.

G. *Reserved.*

H. *Renewal of license.*

1. Every license issued pursuant to this section will terminate at the expiration of one year from the

date of issuance, unless sooner revoked, and must be renewed before operation is allowed in the following year. Any operator desiring to renew a license shall make application to the municipal clerk. The application for renewal must be filed not later than 60 days before the license expires. The application for renewal shall be filed in triplicate with and dated by the municipal clerk. A copy of the application for renewal shall be distributed promptly by the municipal clerk to the municipal police department and to the operator. The application for renewal shall be upon a form provided by the municipal clerk and shall contain such information and data, given under oath or affirmation, as is required for an application for a new license.

2. A license renewal fee of \$300.00 shall be submitted with the application for renewal. In addition to the renewal fee, a late penalty of \$100.00 shall be assessed against the applicant who files for a renewal less than 60 days before the license expires. If the application is denied, the renewal fee only shall be returned.

3. If the municipal police department is aware of any information bearing on the operator's qualifications, or that of the applicant's employees, that information shall be filed in writing with the municipal clerk. Approval or clearance by the municipal police department is not a prerequisite to the issuance of a license under this chapter.

I. *Revocation of license.*

1. The municipal clerk may revoke or suspend a license or permit for any of the following reasons:

- a. Discovery that false or misleading information or data was given on any application or material facts were omitted from any application.
- b. The operator violates any provision of subsection J.1.b.2 or K of this section or any rule or regulation adopted pursuant to this section.
- c. The operator becomes ineligible to obtain a license or permit.
- d. Any cost or fee required to be paid by this section is not paid.
- e. Any intoxicating liquor or other alcoholic beverage is served on the premises of the adult-oriented establishment.
- f. The licensee, manager or designated representative, is convicted of the following offenses at the location to which an adult business license has been issued:

(1) Involving any of the following offenses as described in Chapter 8 of the Anchorage Municipal Code:

- (a) Assignment for prostitution;
- (b) Prostitution;
- (c) Offering to secure another for prostitution;
- (d) Maintaining a place of prostitution;
- (e) Owning or leasing a place of prostitution;
- (f) Coercing another to become a prostitute;
- (g) Violation of Section 8.50.010, relating to prohibited performances and exhibitions to minors;
- (h) Violation of Section 8.50.020, relating to disseminating indecent material to minors; or
- (i) Violation of Section 8.50.040, relating to sexual exploitation of minors.

(2) The fact that a conviction is being appealed shall have no effect on the revocation

of the license.

g. Any of the reasons set forth in Section 10.10.035.

2. The transfer of a license or any interest in a license shall automatically and immediately revoke the license.

3. The municipal clerk, before revoking or suspending any license or permit, shall give the operator at least ten days' written notice of the charges against him, and the opportunity for a hearing before the municipal clerk, as provided in this section. In deciding whether to revoke or suspend a license or permit the municipal clerk may consider remedial measures taken by the licensee or permittee.

4. Any person whose license has been revoked under this section may apply for a new license when they have met the qualifications required for new license applicants.

J. *Physical condition of premises; sanitation requirements.*

1. *Booths, rooms or cubicles for private viewing.* Any adult-oriented establishment having available for customers, patrons or members any booth, room or cubicle for the private viewing of any adult entertainment must comply with the following requirements:

a. *Access.* Each booth, room or cubicle shall be totally accessible to and from aisles and public areas of the adult-oriented establishment, and shall be unobstructed by any curtain, door, lock or other control-type devices except in compliance with subsection J.1.b.(2) of this section.

b. *Construction.* Every booth, room or cubicle shall meet the following construction requirements:

(1) Each booth, room or cubicle shall be separated from adjacent booths, rooms and cubicles and any non-public areas by a wall.

(2) Each booth, room or cubicle which is fitted with a curtain or door shall be configured so that when the door is closed or curtain drawn the entire room may be observed with an unobstructed view from outside of the room. No such door may be locked. If the door or curtain, when closed, obstructs the view of any portion of the room such condition constitutes a violation of this subsection.

(3) All walls shall be solid and without any openings, shall be extended from the floor to a height of not less than six feet, and shall be light colored, nonabsorbent, smooth textured and easily cleanable.

(4) The floor must be light colored, nonabsorbent, smooth textured and easily cleanable.

(5) The lighting level of each booth, room or cubicle, when not in use shall be a minimum of ten footcandles at all times, as measured from the floor.

c. *Occupants.* Only one individual shall occupy a booth, room or cubicle at any time. For the purposes of live performance or other live adult entertainment only, the one person per booth limit shall not apply. No occupant of any booth, room or cubicle shall engage in any type of sexual activity, or cause any bodily discharge or litter while in the booth. No individual shall damage or deface any portion of the booth.

2. *Physical culture studios and massage parlors.* The licensee of any adult-oriented establishment which is a physical culture studio or massage parlor shall keep licensed premises clean and sanitary. Clean towels, sheets and linens shall be provided for each patron receiving massage services. Disinfecting agents and sterilizing equipment sufficient to ensure the cleanliness and safe condition of all equipment shall be provided and used.

3. *Exterior.*

a. Shall be maintained in a neutral tone to conform with surrounding building appearance.

- b. Building will be repaired and maintained in a timely manner.
 - c. Fences to be maintained in conforming appearance and maintained in good condition.
 4. *Parking lots and grounds.*
 - a. To be maintained in safe and clean condition.
 - b. Grounds to be kept clean and not used for outdoor storage.
 - c. All refuse removed weekly.
 5. *Signage, in addition to the requirements of Title 21.*
 - a. Each business shall be limited to one sign per entrance.
 - b. Each sign shall be no larger than 20 square feet.
 - c. No neon, reader or mobile signs.
 - d. All signs shall conform to exterior decor requirements.
 6. *Ingress or egress.* An operator may not have his/her business premises connected by any means of ingress or egress with premises occupied by an establishment selling or dispensing alcoholic beverages.
 7. *Interior.*
 - a. Appropriate window coverings to maintain conforming appearance (no foil, sheets, boards, et cetera).
 - b. Premises to be maintained in a clean and sanitary manner.
 - c. The operator shall maintain at least ten footcandles of light in the public portions of the establishment, including aisles, at all times. However, if a lesser level of illumination in the aisles shall be necessary to enable a patron to view the adult entertainment in a booth, room or cubicle adjoining aisles, a lesser amount of illumination may be maintained in such aisles, provided, however, at no time shall there be less than one footcandle of illumination in such aisles, as measured from the floor.
 - d. Each business shall comply with annual inspections for the following:
 - i. Health.
 - ii. Fire.
 - iii. Building.
 - iv. Other Code compliance.
- K. *Responsibilities of operator.*
 1. Every act or omission by an employee constituting a violation of the provision of this section shall be deemed the act or omission of the operator if such act or omission occurs either with the authorization, knowledge or approval of the operator, or as a result of the operator's negligent failure to supervise the employee's conduct, and the operator shall be punishable for such act or omission in the same manner as if the operator committed the act or caused the omission. Such acts or omissions can be considered in determining whether to revoke, suspend or renew a license.
 2. No employee of an adult-oriented establishment shall allow any minor to enter, to loiter around or to frequent an adult-oriented establishment or to allow any minor to view adult entertainment as defined in this section.
 3. No licensee shall have any other license or permits for games of chance to be played or sold on that

premises licensed as an adult business.

4. Licensees who operate physical culture studios or massage parlors must keep records of treatments given and the names of masseurs or masseuses giving such treatments. Such records, as well as the premises of the business establishment, shall be subject to administrative inspection by municipal officers as permitted under this title.

L. *Review of actions on license.* Review of the grant, denial, renewal, nonrenewal, suspension or revocation of a license shall be in accordance with Section 10.10.035 and Chapter 3.60.

M. *Penalties and prosecution.* Any person who is found to have violated this section shall be fined a definite sum not exceeding \$300.00 and such conviction shall result in the revocation of any license. The municipal clerk shall notify the administrative official, as identified in Section 21.25.030, of any convictions for violations of this section. Whenever a particular establishment is the location of two or more violations of subsection I of this section for which the licensee is responsible under subsection K.1 of this section occurring within a 24-month period, the administrative official shall proceed against the use entitlement under Section 21.25.030.

N. *Enforcement.* The municipal police department shall have the authority to enter any adult-oriented establishment at all reasonable times to inspect the premises and enforce this section.

(AO No. 93-157(S-6), § 1, 5-1-94; AO No. 94-145(S), § 1, 8-23-94)

Cross references: Restrictions regarding location of places where minors are prohibited from entering, § 21.45.240.

10.40.015 Prohibited acts by holders of adult-oriented establishment license or massage license.

A person holding an adult-oriented establishment license or a masseur/masseuse license may not:

- A. Operate the **business** or engage in the licensed activity between the hours of 2:00 a.m. and 6:00 a.m.
- B. Lock patrons inside any part of the premises during **business** hours.
- C. Solicit for another person, engage in or offer to engage in an act of prostitution, cunnilingus or fellatio with a **business** invitee.
- D. Intentionally expose their genitals to a **business** invitee or intentionally touch the genitals of a **business** invitee.

(CAC 6.28.050; AO No. AO No. 93-157(S-6), § 2, 5-1-94)



everychild.one voice.

"Alaska PTA supports the enactment of legislation to regulate sexually oriented businesses and employees in order to protect school children and other youth under 21 years old."

*Passed Nov. 15, 2003
Alaska PTA Issues Conference*

Anchorage Council of PTA's Legislative Priorities 2003-2004

1. Stable, reliable, adequate and inflation proofed funding so every child can meet the standards of the "No Child Left Behind" Act.
RATIONALE: In order to provide a quality education to each child in Alaska, stable, reliable, adequate, and inflation proofed funding is necessary. The amount of time, money, and creative energy spent on securing annual funding for education would be better spent in the classroom.
2. Advocate graduated driver's licenses for 16 to 18 year old drivers.
RATIONALE: Because inexperienced drivers are involved in a high number of accidents causing injury and death, we support graduated licensing aimed at reducing the number of accidents of young drivers.

3. Reduce teen involvement in sexually oriented businesses.

RATIONALE: Sexually oriented businesses in Alaska are largely unregulated. In an effort to protect high schools and students from being affected by the negative influences of such businesses we support regulations that would discourage teen involvement. Anchorage Council also supports raising the minimum age of dancers and patrons to at least 19 years old.

4. Support funding for security for schools during non-school hours.
RATIONALE: Vandalism is a real problem for our public buildings, especially schools. While this needs to be addressed in a multi-faceted way, one thing that would serve as a deterrent is to provide for security at schools during non-school hours—the time when most vandalism occurs.

These legislative priorities were determined by the Anchorage Council of PTAs General Membership, Monday, October 6, 2003.

Alaska State PTA and Anchorage Council PTA
draft resolution

**RESOLUTION ENCOURAGING MORE
REGULATIONS FOR SEXUALLY ORIENTED BUSINESSES**

WHEREAS, a mission of the Parent-Teacher Association is to support and speak on behalf of children and youth in the schools, in the community and before governmental bodies and other organizations that make decisions affecting children,

WHEREAS, the purpose of the Parent-Teacher Association is to promote the welfare of the children and youth in home, school, community, and place of worship, and to secure adequate laws for the care and protection of children and youth,

WHEREAS, schools in Alaska serve many thousands school children of ages 18 to 20 years annually (with over 3,400 in Anchorage alone) who interact daily with younger students,

WHEREAS, Alaska has over 45 sexually oriented businesses that are available for employment or patronage of school children 18 years or older;

WHEREAS, sexually oriented businesses require special supervision in order to protect and preserve the health, safety, and welfare of the patrons of such businesses, as well as the citizens of the communities where they locate; and

WHEREAS, it has been found that sexually oriented businesses are associated with unlawful activities, including prostitution and illegal drug and alcohol use; and

WHEREAS, the concern over sexually transmitted diseases, unwanted pregnancies and sexual assaults are legitimate health concerns of the city that demand reasonable regulation of sexually oriented businesses in order to protect the health and well-being of the citizens; and

WHEREAS, Alaska has no laws regulating obscenity and some of the weakest laws in the country to protect the health and safety of patrons and employees of, and neighborhoods around sexually oriented businesses; and

WHEREAS, licensing is a legitimate means of accountability to ensure that operators and employees of sexually oriented businesses comply with reasonable regulations, and to ensure that operators do not allow their establishments to be used as places of illegal activity or solicitation; and

WHEREAS, there is convincing documented evidence that sexually oriented businesses, because of their very nature, have a deleterious effect on both the existing businesses around them and the surrounding residential areas adjacent to them, causing increased crime and the downgrading of property values; and

WHEREAS, it is recognized that sexually oriented businesses, due to their nature, have serious objectionable operational characteristics, particularly when they are located in proximity to each other, thereby contributing to urban blight and downgrading the safety and quality of life in the adjacent area; and

WHEREAS, communities want to prevent these adverse effects and thereby protect the health, safety and welfare of the citizenry; protect the citizens from increased crime; preserve the quality of life; preserve the property values and character of surrounding neighborhoods and deter the spread of urban blight; and

WHEREAS, it is not the intent to suppress any speech activities protected by the First Amendment, but to enact ordinances that address the secondary effects of sexually oriented businesses as well as the health and safety problems associated with such businesses; and

WHEREAS, based on evidence concerning the adverse secondary effects of sexually oriented businesses on the community presented in hearings and in reports available to the public, and on findings incorporated in the various court cases (*City of Renton v. Playtime Theatres, Inc.*, 475 U.S. 41 (1986); *Young v. American Mini Theatres*, 426 U.S. 50 (1976); and *Barnes v. Glen Theatre, Inc.*, 501 U.S. 560 (1991); *Arcara v. Cloud Books, Inc.*, 478 U.S. 697, (1986); *California v. LaRue*, 409 U.S. 109 (1972); *Iacobucci v. City of Newport, Ky*, 479 U.S. 92 (1986); *United States v. O'Brien*, 391 U.S. 367 (1968); *DLS, Inc. v. City of Chattanooga*, 107 F.3d 403 (6th Cir.1997); *Kev, Inc. v. Kitsap County*, 793 F.2d 1053 (9th Cir.1986); *Hang On, Inc. v. City of Arlington*, 65 F.3d 1248 (5th Cir.1995); and *South Florida Free Beaches, Inc. v. City of Miami*, 734 F.2d 608 (11th Cir.1984); as well as studies conducted in other cities including, but not limited to, Phoenix, Arizona; Minneapolis, Minnesota; Houston, Texas; Indianapolis, Indiana; Amarillo, Texas; Garden Grove, California; Los Angeles, California; Whittier, California; Austin, Texas; Seattle, Washington; Oklahoma City, Oklahoma; Cleveland, Ohio; and Beaumont, Texas) and findings reported in the Final Report of the Attorney General's Commission on Pornography (1986), the Report of the Attorney General's Working Group On the Regulation Of Sexually Oriented Businesses (June 6, 1989, State of Minnesota), and statistics obtained from the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention,

it is known that,

(1) Sexually oriented businesses lend themselves to ancillary unlawful and unhealthy activities. Further, there is presently no mechanism to make owners or employees of these establishments responsible for illegal, unsafe or unhealthy activities that occur on their premises.

(2) Crime statistics show that all types of crimes, especially sex-related crimes, occur with more frequency in neighborhoods where sexually oriented businesses are located. *See, e.g.*, Studies of the cities of Phoenix, Arizona; Indianapolis, Indiana; and Austin, Texas.

(3) Sexual acts, including masturbation, and oral and anal sex, occur at sexually oriented businesses, especially those which provide private or semi-private booths or cubicles for viewing films, videos, or live sex shows. *See, e.g.*, *California v. LaRue*, 409 U.S. 109, 111 (1972); *See also* Final Report of the Attorney General's Commission on Pornography (1986) at 377.

(4) Offering and providing services involving bodily contact and/or such booths and/or cubicles encourages such activities, which creates unhealthy conditions. *See, e.g.*, Final Report of the Attorney General's Commission on Pornography (1986) at 376-77.

(5) Persons frequent certain adult theaters, adult arcades, and other sexually oriented businesses, for the purpose of engaging in sex within the premises of such sexually oriented businesses. *See, e.g.*, *Arcara v. Cloud Books, Inc.*, 478 U.S. 697, 698 (1986); *see also* Final Report of the Attorney General's Commission on Pornography (1986) at 376-77.

(6) At least 50 communicable diseases may be spread by activities occurring in sexually oriented businesses including, but not limited to, syphilis, gonorrhea, human immunodeficiency virus infection (HIV-AIDS), genital herpes, hepatitis B, Non A, Non B amebiasis, salmonella infections, and shigella infections. *See, e.g., Study of Fort Meyers, Florida.*

(7) For the period 1985 through 2001, the total number of reported cases of AIDS in the United States caused by the immunodeficiency virus (HIV) was 816,149. *See, e.g., Statistics of the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.*

(8) The number of reported cases of gonorrhea in the United States reported annually remains at a high level, with a total of 361,705 cases reported in 2001. *See, e.g. Statistics of the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.*

(9) The number of reported cases of chlamydia skyrocketed to 783,242 in 2001 (a six-fold increase since 1987). *See, e.g. Statistics of the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.*

(10) The surgeon general of the United States in his report of October 22, 1986, advised the American public that AIDS and HIV infection may be transmitted through sexual contact, intravenous drug use, and exposure to infected blood and blood components.

(11) According to the best scientific evidence available, AIDS and HIV infection, as well as syphilis, gonorrhea, and chlamydia are principally transmitted by sexual acts, and syphilis facilitates transmission of HIV. *See, e.g. Findings of the U.S. Department of Health and Human Services, Centers for Disease Control and Prevention.*

(12) Sanitary conditions in some sexually oriented businesses are unhealthy, in part, because the activities conducted there are unhealthy, and, in part, because of the unregulated nature of the activities and the failure of the owners and the operators of the facilities to self-regulate those activities and maintain those facilities. *See, e.g., Final Report of the Attorney General's Commission on Pornography (1986) at 377.*

(13) Numerous studies and reports have determined that bodily fluids, including semen and urine, are found in the areas of sexually oriented businesses where persons view "adult" oriented films. *See, e.g., Final Report of the Attorney General's Commission on Pornography (1986) at 377.*

(14) Nude dancing in adult establishments encourages prostitution, increases sexual assaults, and attracts other criminal activity. *See, e.g., Barnes v. Glen Theatre, 501 U.S. 560, 583 (1991).*

(15) Nude dancing in adult establishments increases the likelihood of drug-dealing and drug use. *See, e.g., Kev, Inc. v. Kitsap County, 793 F.2d 1053, 1056 (9th Cir.1986),* and contact between dancers and patrons can transmit up to 50 communicable diseases. *See, e.g., Study of Fort Meyers, Florida.*

(16) The findings noted in paragraphs numbered (1) through (15) raise substantial governmental concerns.

(17) Sexually oriented businesses have operational characteristics that should be reasonably regulated in order to protect those substantial governmental concerns.

(18) A reasonable licensing procedure is an appropriate mechanism to place the burden of that reasonable regulation on the owners, operators and employees of the sexually oriented businesses. Further, such a licensing procedure will place a heretofore non-existent incentive on the operators to see that the sexually oriented business is run in a manner consistent with the health, safety, and welfare of youth and other patrons and employees, as well as the citizens of this community. It is appropriate to require reasonable assurances that the licensee is the actual operator of the sexually oriented business, fully in possession and control of the premises and activities occurring therein, and that all employees are fully informed about how to reduce health and safety risks to themselves and others.

(19) Regulating time, place and manner of sexually-oriented business operations advances a substantial governmental interest in curbing the illegal and unsanitary sexual activity occurring in adult establishments.

(20) The disclosure of certain information by those persons ultimately responsible for the day-to-day operation and maintenance of the sexually oriented business, where such information is substantially related to the significant governmental interest in the operation of such uses, will aid in preventing the spread of sexually transmitted diseases and criminal activity.

(21) It is desirable in the prevention of the spread of communicable diseases to obtain a limited amount of information regarding certain employees who may engage in the conduct this ordinance is designed to prevent or who are likely to be witnesses to such activity.

(22) The fact that an applicant for a sexually oriented business license has been convicted of a sex-related crime leads to the rational assumption that the applicant may engage in that conduct in contravention to this ordinance.

(23) The barring of such individuals from operation or employment in sexually oriented businesses for a period of ten (10) years for a previous felony conviction serves as a deterrent to and prevents conduct which leads to the transmission of sexually transmitted diseases.

(24) Stricter licensing requirements for sexually oriented businesses and employees (especially those under 21 years old) could help protect school children and other young people.

(25) The general welfare, health, and safety of the school children and citizens of this community will be promoted by the enactment of such type of laws.

THEREFORE BE IT RESOLVED, to request that the Alaska State Legislature enact laws incorporating items 1 through 25 to regulate existing or future sexually oriented businesses and employees, and to take all possible actions to protect Alaska school children and other youth from the harmful effects of these businesses.

Signed:

President, Alaska State Parent Teacher Association

Date

RESOLUTION ENCOURAGING MORE

REGULATIONS FOR SEXUALLY ORIENTED BUSINESSES

WHEREAS, a mission of the Parent-Teacher Association is to support and speak on behalf of children and youth in the schools, in the community and before governmental bodies and other organizations that make decisions affecting children; and

WHEREAS, the purpose of the Parent-Teacher Association is to promote the welfare of the children and youth in home, school, community, and place of worship, and to secure adequate laws for the care and protection of children and youth; and

WHEREAS, schools in Anchorage annually serve over 3,400 students of ages 18 to 20 years who interact daily with younger students; and

WHEREAS, Anchorage has over 35 sexually oriented businesses that are available for employment or patronage of students and other young people 18 years old or older; and

WHEREAS, Anchorage Municipal Code already acknowledges some of the deleterious effects of sexually oriented businesses:

“These enterprises have been determined, by court-accepted independent studies, to produce secondary impacts on surrounding land uses. The impacts include a decline in property values, and increase in the level of criminal activity, including prostitution, rape and assaults in the vicinity of these types of enterprises, and the degradation of the community standard of morality by inducing a loss of sensitivity to the adverse effect of pornography upon children, upon established family relations, and upon respect for marital relationships.” (AO 21.45.240)

WHEREAS, crime statistics show that all types of crimes, especially sex-related crimes, occur with more frequency in neighborhoods where sexually oriented businesses are located. *See, e.g.*, Studies of the cities of Oklahoma City, Phoenix, Arizona; Indianapolis, Indiana; Austin, Texas and others:

<http://www.afa.net/pornography/SOB%20Land%20Use%20Studies-NLC-SOB%20pkt.doc>.

WHEREAS, Anchorage has one of the highest sexual assault rate in the country; and

WHEREAS, Nude dancing in adult establishments encourages prostitution, increases sexual assaults, and attracts other criminal activity. *See, e.g., Barnes v. Glen Theatre*, 501 U.S. 560, 583 (1991).

WHEREAS, the preponderance of evidence indicates that repeated exposure to pornography is detrimental to healthy social behavior and an influence on many sexual perpetrators (*See Just Harmless Fun? By Bruce Watson and Sheila Rae Welch, c. Enough is Enough 2000*); and

WHEREAS, skin and genital contact among employees, patrons and objects at sexually oriented businesses may spread at least 50 communicable diseases including, but not limited to, syphilis, gonorrhea, chlamydia, human immunodeficiency virus infection (HIV-AIDS), genital herpes, hepatitis B, Non A, Non B amebiasis, salmonella infections, and shigella infections. *See, e.g., Study of Fort Meyers, Florida.*

WHEREAS, Alaska has the highest rate of chlamydia in the nation, and a skyrocketing gonorrhea rate among 15-24 year olds. *See State of Alaska Epidemiology Bulletins 18 and 19.*

WHEREAS, Nude dancing in adult establishments increases the likelihood of drug-dealing and drug use. *See, e.g., Kev, Inc. v. Kitsap County, 793 F.2d 1053, 1056 (9th Cir.1986);* and

WHEREAS, Courts have ruled that studies from other locations can be legitimately used to support regulations outside the study area; and

WHEREAS, Alaska has some of the weakest laws in the country regulating sexually-oriented businesses related to protection of the health and safety of minors, patrons and employees of, and neighborhoods around sexually oriented businesses; and

WHEREAS, it is not the intent to suppress any speech activities protected by the First Amendment, but to enact ordinances that address the effects of sexually oriented businesses as well as the health and safety problems associated with such businesses; and

WHEREAS, several courts have overturned raising the minimum age above 18 years old for attendance or employment at sexually oriented businesses unless the government can show harm to that particular age group; and

WHEREAS, evidence from research on brain development and social service agencies indicate that young people are not fully mature at age 18, nor do federal and state laws grant them full rights and privileges until 21 years old (*See A. White, Ph.D, Substance use and adolescent brain development at <http://www.duke.edu/~amwhite/adolescence.html>, and interviews with Covenant House, Transitional Learning Center, etc.*),

it is known that,

- (1) Many cities and states have reduced crimes by implementing court-upheld regulations of sexually oriented businesses (*See Gerard, Jules B. Local Regulation of Adult Businesses: 2003 Edition. St. Paul, Minn.: Thomson/West, 2002.*)
- (2) Regulating time, place and manner of sexually oriented business operations advances a substantial governmental interest in curbing the illegal and unhealthy activity occurring in adult establishments.

- (3) Offering and providing sexually oriented services involving bodily contact and/or such booths and/or cubicles encourages activities which create unhealthy conditions. *See, e.g.,* Final Report of the Attorney General's Commission on Pornography (1986) at 376-77.
- (4) Annual licensing is a legitimate means of accountability to ensure that operators and employees of sexually oriented businesses operate with reasonable health and safety provisions and an understanding of current laws and impacts of their businesses, protect youth, face stiffer consequences for underage employment or patronage, and do not allow their establishments to be used as places of illegal activity or solicitation.
- (5) The general welfare, health, and safety of affected neighborhoods and school children who interact with sexually-oriented business patrons and employees will be promoted by the enactment of such type of laws.

THEREFORE BE IT RESOLVED, to request that the Alaska State Legislature and local governments enact laws incorporating items 1 through 5 to regulate existing future sexually oriented businesses and employees, and to take all possible action to protect Alaska school students and other youth under 21 years old from the harmful effects of these businesses.

Signed:

President, Robert Service High School Parent-Teacher-Student Association

Date

**RESOLUTION ENCOURAGING MORE
REGULATIONS FOR SEXUALLY ORIENTED BUSINESSES**

WHEREAS, a mission of the Parent-Teacher Association is to support and speak on behalf of children and youth in the schools, in the community and before governmental bodies and other organizations that make decisions affecting children; and

WHEREAS, the purpose of the Parent-Teacher Association is to promote the welfare of the children and youth in home, school, community, and place of worship, and to secure adequate laws for the care and protection of children and youth; and

WHEREAS, schools in Anchorage annually serve over 3,400 students of ages 18 to 20 years who interact daily with younger students; and

WHEREAS, Anchorage has over 35 sexually oriented businesses that are available for employment or patronage of students and other young people 18 years old or older; and

WHEREAS, Anchorage Municipal Code already acknowledges some of the deleterious effects of sexually oriented businesses:

"These enterprises have been determined, by court-accepted independent studies, to produce secondary impacts on surrounding land uses. The impacts include a decline in property values, and increase in the level of criminal activity, including prostitution, rape and assaults in the vicinity of these types of enterprises, and the degradation of the community standard of morality by inducing a loss of sensitivity to the adverse effect of pornography upon children, upon established family relations, and upon respect for marital relationships." (AO 21.45.240)

WHEREAS, crime statistics show that all types of crimes, especially sex-related crimes, occur with more frequency in neighborhoods where sexually oriented businesses are located. *See, e.g., Studies of the cities of Oklahoma City, Phoenix, Arizona; Indianapolis, Indiana; Austin, Texas and others:*

<http://www.aha.net/pornography/SOB%20Land%20Use%20Studies-ILC-SOB%20gk1.doc>.

WHEREAS, Anchorage has one of the highest sexual assault rate in the country; and

WHEREAS, Nude dancing in adult establishments encourages prostitution, increases sexual assaults, and attracts other criminal activity. *See, e.g., Barnes v. Glen Theatre, 501 U.S. 560, 583 (1991).*

WHEREAS, the preponderance of evidence indicates that repeated exposure to pornography is detrimental to healthy social behavior and an influence on many sexual perpetrators (*See Just Harmless Fun? By Bruce Watson and Sheila Rae Welch, c. Enough is Enough 2000*); and

- (3) Offering and providing sexually oriented services involving bodily contact and/or such booths and/or cubicles encourages activities which create unhealthy conditions. See, e.g., Final Report of the Attorney General's Commission on Pornography (1986) at 376-77.
- (4) Annual licensing is a legitimate means of accountability to ensure that operators and employees of sexually oriented businesses operate with reasonable health and safety provisions and an understanding of current laws and impacts of their businesses, protect youth, face stiffer consequences for underage employment or patronage, and do not allow their establishments to be used as places of illegal activity or solicitation.
- (5) The general welfare, health, and safety of affected neighborhoods and school children who interact with sexually-oriented business patrons and employees will be promoted by the enactment of such type of laws.

THEREFORE BE IT RESOLVED, to request that the Alaska State Legislature and local governments enact laws incorporating items 1 through 5 to regulate existing or future sexually oriented businesses and employees, and to take all possible actions to protect Alaska school students and other youth under 21 years old from the harmful effects of these businesses.

Signed:

Samuel A. Massey

 President, Robert Service High School Parent-Teacher-Student Association

12/11/03

 Date

Dear Representative Anderson and other committee members:

Mary Magdalene Home Alaska (MMHA) serves women in Anchorage who have been involved in the act or practice of trading or selling sexual services for money, drugs or safety and now seek a way to redefine themselves and build a positive and healthy life style. Since 1998 MMHA has served over 130 women.

Because we work closely with former nude dancers, we are familiar with many of the problems that occur at Alaska strip clubs. These include but are not limited to: exchanging sexual acts for money and drugs; entry into drug and alcohol abuse; entry in criminal behavior, usually tied to using substances or obtaining substances, prostitution as a way of life, underage dancers, under age drinking, and sometimes communicable diseases.

HB 367 would be an effective tool to combat these problems and relieve the greater community of the burden of their consequences. In addition, the educational and career counseling would inform the young dancers of the hazards of the job and ensure them that they have options, other than prostitution, when they want to quit dancing.

We urge your support for HB 367.

Sincerely,

Alice Meyers
Andrea Rowland
Teri Inch
Flo Pearson
Maria Bouleris

Mary Magdalene Home Alaska, Inc. Organization
555 W. Northern Lights Blvd. suite 261
Anchorage, AK 99503. Phone: 277-6642, fax: 277-6643

January 30, 2004

Dear Representative Anderson and other committee members:

The Service High School Parent-Teacher-Student Association, the Anchorage Council of PTAs and the Alaska State PTA all support enactment of legislation to regulate sex-oriented businesses (also known as SOBs) in order to protect high school students and other youth under 21 years old.

In Anchorage alone we have over 3,400 students annually that are ages 18-20, and we are concerned for their health and safety as well as other vulnerable teens in the state. We are aware of SOBs involving teens in Anchorage, Fairbanks and Soldotna, including at least 5 non-liquor licensed strip clubs open to 18 year old patrons and dancers. More are planned. Yet Alaska has some of the weakest laws in the country regulating SOBs even though they are associated with many illegal activities and negative community impacts.

Business and employee licensing, as proposed in HB 367, would be an important first step to protecting teens and our communities. Over 250 other cities and states have similar licensing laws. Business and employee licensing would help insure that underage teens are not involved. We have had numerous reports about this problem in Anchorage (see QUOTES).

Business licensing would also be a powerful incentive to insure that SOBs follow existing laws related to illegal drugs, alcohol, prostitution, wage and hour, worker safety, sexual harassment and tax evasion. Violations of these laws have been documented in other states, and we have reports of the same problems here. Many cities have documented a higher rate of sex crimes in the vicinity of SOBs. Oklahoma City was able to significantly reduce that effect by strong laws and enforcement at SOBs (see NLC studies).

Employee licensing requirements would insure that dancers are aware of laws and practices to protect their own health, safety and welfare.

Specifically, educating dancers about the state wage and hour laws would help curb violations. I understand that violations of state labor laws have occurred, and the state labor department has a file on wage and hour cases from nude dancers. Without adequate wages, employees may be tempted to engage in illegal activities.

Education about assaults and self-defense would help dancers who are often victims of assault. An extremely high rate of verbal, physical and sexual abuse of dancers by patrons was documented in a study from the University of Minnesota. Up to 85% suffered regular verbal abuse, such as being called "whore" or "bitch." 91% had their buttocks grabbed, and 73% had their breasts grabbed. 42% had been sexually assaulted. Others were bitten, slapped, punched, pinched and spit upon (see Stripping Away the Lies). One former Anchorage teen dancer reported being grabbed by patrons and smacked by one when she wouldn't go home with him (see Quotes). With Alaska leading the nation in sexual assaults, this educational provision is important.

Licensing requirements for young dancers would also provide education about prevention of sexually transmitted diseases. A court-accepted study from Ft. Myers Florida documented up to 50 communicable diseases that could be transmitted at strip clubs, including many STDs. According to a Municipality of Anchorage health worker, there have been outbreaks of STDs among strip club dancers. With Alaska's young people leading the nation in STD rates, this would be an important health precaution (see PTSA Resolution and State health data).

Employee licensing of young dancers would also require knowledge of other educational and career options. This would also benefit young dancers as this industry is fraught with danger, and is frequently a pathway to drug and alcohol addiction and prostitution. The study from Minnesota found that 78% of nude dancers were

solicited daily for prostitution by the strip club patrons. Court accepted independent studies have shown that nude dancing in SOBs encourages prostitution. According to the Anchorage Westside Community Patrol, most of the prostitutes in Spenard started as strip club dancers (see Quotes).

The PTAs would prefer some additional provisions be considered as well. We support raising the minimum age for both patrons and dancers to at least 19, if not 21 years old, as we are aware of the vulnerability of even older teens to the negative impacts of SOBs. This would be consistent with state laws regarding tobacco, alcohol and gambling. Recent research from Duke University indicates that adolescent brains are not fully mature until age 20 or older, and raising the age would be appropriate for sex-oriented business pornography as well.

Another health protection to consider, common in other states, would be to add a requirement to keep genitals covered and outlaw genital contact with stage props, customers or other employees. This could help reduce the spread of sexually-transmitted diseases.

Statistics and other background data to support our comments can be found in your packets. Thank you for your consideration of this important legislation for our children's welfare.

Sincerely,

Nancy Fair
Service High School
Parent-Teacher-Student Association
4741 E. 112th Avenue
Anchorage, AK 99516
fairwinds@qci.net

Diana L. Straub

Chair- Board of Barbers and Hairdressers
PTA President - Wasilla Middle School
Council Member - City of Wasilla

1452 Bertha Lane
Wasilla, AK 99654
(907) 373-7230
(907) 242-1353

February 2, 2004

House Labor and Commerce Committee

Dear Legislators:

I appreciated listening to the valuable testimony given on Friday January to, 2004 regarding HB369. Due to time constraints for testimony, I offered to forward my comments to you in written form. I will gladly participate via teleconference as often as possible and I appreciate the opportunity to interact with you.

As you will recall, my greatest concern was our ability to follow through with the enforcement of this bill. I fully value and agree with the intent of which created this bill, however I do not believe that **HB 367 will not be enforceable** for a number of reasons.

I have arrived at this conclusion from my experience serving the Board of Barbers and Hairdressers. This board oversees tattooing and body piercing. In the state of Alaska a practitioner may not tattoo or pierce any person under the age of 18 years. We are finding this extremely difficult to enforce due to lack of financial resources in multiple departments.

The solution I bring to the table is, halt the employment of all persons under the age of 21 in a Sex Oriented Business.

If you are not old enough to drink a cocktail, you are not old enough to take your clothes off on the cocktail table.

As I look at this bill, I see the following departments involved (keeping in mind there are other department choices available).

1. **Occupational Licensing** to process the licensing applications
2. **Alcohol Beverage Control** to work with the establishments that do hold a liquor license
3. _____ to work with the S.O. B. that do not hold a liquor license.
4. **DEC** to provide health inspections in a timely manner to protect the entertainers against the spread of diseases i.e., hepatitis. Let me remind you, this department has been cut back so much that our restaurants are now self-inspecting. As a board member of the Board of Barbers and Hairdressers, I have waited 5 weeks for a salon to be inspected by DEC after requesting the inspection. The inspection requested was due to animal urine in the salon in multiple areas. To date this salon has not been inspected, however DEC did issue a letter of non-objection to this salon becoming a school.
5. **Public Safety**
6. **Division of Occupational Licensing** investigators to investigate and build cases against unethical employers and unlicensed employees. Hope they stay in the same place long enough to build a case. We already know that the businesses move frequently and change names as they do so. Remember that Occupational investigators are 8:00 AM to 5:00 PM employees. Will we hire more investigators or just pay overtime?
7. **Police / Troopers** responding to immediate safety needs and the needs of nearby residents or businesses. Will we take our officers off the streets to provide these occupational investigations?

I do not believe that *all costs in each of these departments will not be recovered in the occupational licensing fees*. What would you believe to be the total number of man-hours for investigations alone in the first year? Where will that money come from?

The way I understand the process necessary to begin employment will look like this.

1. **Decide to be a stripper** (you must need fast cash and feel desperate)
2. **Call DCED to scheduled classes** in STD, Sexual Assault, Wage and Hour, Career-counseling. When will classes be available? How often will classes be available? Weekly, monthly yearly? Will classes be offered together in one day or will this take several days?
3. **Attend and pay for the classes.** How much will this cost? HB 367 says the employer will cover these costs, however at this point you are not licensed to look for a job, there is no employer to pay the fee.
4. **Complete the Occupational Licensing application and mail the fee of about \$175.00** (the average fee for Barbers and Hairdressers) to Juneau.
5. **Wait about two weeks for the licensing process to be completed** and in your license in mailbox. You do have a mailbox, don't you?
6. **Now you are ready to seek employment.**

Great! You got a job at the first place you asked. When you asked your new employer to reimburse you for the cost of the classes (remember HB 367 says the employer will pick up the costs) he laughed at you and let you know that he does not pay for *those* classes. You could quit and go to work down the street the next night and then he is out the money.

Your new employer laughed again when you gave him your **occupational license to post in the establishment.** You just provided him with the information that you are new to the business, naive and now you are a target. Let me remind you that the license has **your full legal name and address** in a place that anyone could make a note of your name and find you later, when you least expect it.

It's your first night at work and you notice that the stage props are not cleaned and sanitized between performers. You call **DEC** and wait for an inspection.

Unless we put money and manpower in each department that will work with this legislation, we are providing nothing more than lip service. On the surface, it appears that *we tried*, but in reality, we knew that it would not protect the safety of these young adults and it may even put them further in harms way because they'll believe they are protected. They will believe that because we taught them that in the *mandatory* classes they took.

It seems to me the way HB 367 is currently laid out, we have **several carts before our single horse and no money to push with**. I encourage each committee to consider the full trickle down effect of HB367.

In conclusion, please keep in mind that I **truly support the protection of our youth**.

Sincerely,

Diana L. Straub

COVENANT HOUSE ALASKA

Testimony Notes of Kara Nyquist, Esq., Director of Advocacy on HB 367, January 30, 2004 before House Labor & Commerce Committee.

Support HB 367

INTRODUCTION – CHA Director of Advocacy; CHA provides a continuum of services for homeless, runaway and at-risk youth including shelter, transitional living, health services, a drop-in center and job development center. Last year CHA served 3,600 youth and this year is CHA's 15th year of service to Alaska. The staff at CHA has worked with over 15,000 youth in Alaska.

I also represent the Alaska Association of Homes for Children "AAHC," an association of 20 social service providers providing 46.5 million dollars in programs to serve Alaska's children and youth each year. The association has passed a resolution in support of HB 367.

I am also a licensed attorney in the State of Alaska and have been working with Representatives McGuire and Gara and their staff for months on this bill and have spent time researching the constitutionality of the bill and talking with youth and with staff that have had contact with youth working in strip clubs.

LAW - Currently under Alaska law if you are eighteen you can become a nude dancer or patronize clubs that employ nude dancers.

The Alaska Supreme Court and the United States Supreme Court have recognized that dancing, including nude dancing is a constitutionally protected form of expression under the first amendment to the United States Constitution. Mickens v. City of Kodiak, 640 P.2d 818, 820 (Alaska 1982).