

**ANCHORAGE, ALASKA
AO No. 2019-156(S)**

1 AN ORDINANCE PROPOSING TO PROVIDE RESOURCES TO COMBAT
2 CRIME AND PUBLIC SAFETY PROPERTY TAXES BY ENACTING A 3% SALES TAX
3 FOR A MAXIMUM OF SIX YEARS; A PUBLIC SAFETY TAX MEASURE TO
4 PROVIDE PROPERTY TAX RELIEF AND TO COMBAT CRIME BY ENACTING A
5 SALES TAX TO FUND THE SALE OF GOODS AND SERVICES WITHIN THE
6 MUNICIPALITY OF ANCHORAGE WITH HALF THE REVENUES UNDER
7 THE "TAX CAP" DEDICATED TO REDUCING PROPERTY TAXES, AND HALF
8 APPLIED TO PUBLIC SAFETY PURPOSES TO
9 COMBAT CRIME, WITH THIS PORTION EXPIRING IN 2025 ABSENT VOTER
10 REAUTHORIZATION; AMENDING ANCHORAGE MUNICIPAL CODE CHAPTER
11 12.25 REGARDING THE TAX INCREASE LIMITATION TO CONFORM TO THIS
12 ENACTMENT; SUBMITTING THIS CRIME FIGHTING [PUBLIC SAFETY] TAX
13 MEASURE TO THE QUALIFIED VOTERS OF THE MUNICIPALITY; AND
14 PROVIDING FOR TRANSITION PROCEDURES AND EFFECTIVE DATES.
15

Assembly Member Dyson

**SUPPORT FOR THE
CRIME FIGHTING TAX
MEASURE- AO 2019-156(S)**

PUBLIC SAFETY (FIGHTING CRIME)

- First and most important duty of Government
- Crime is bad and is increasing in several categories and at record levels
 - Sexual and abuse of women and children in Alaska (and to a lesser level in Anchorage) are 3 to 4 times that of any other state.
 - In Anchorage, the misdemeanor crime rate in 2018 increased 21% over the rate in 2017.



CRIMINAL CASES

- Thousands of misdemeanor criminal cases in Anchorage were not prosecuted
 - 2093 out of 6779 in 2017
 - 3215 out of 8208 in 2018
- Many, if not most, of the arrestees were then free to resume some or even more of their criminal activities.
 - Note, undoubtable some of the arrestees were innocent, had their case dismissed after completing a pre-trial diversion program, or there was not enough evidence to take them to trial.
- Some property crime perpetrators have been arrested 3 times before their first case went to trial.
- For many drug related crimes, prosecutors have waited over 6 months for drug blood tests to be returned from the certified state supervised lab.
 - Meanwhile, many of the alleged perpetrators are out on our streets still driving and/or continuing their drug related crimes.



ISSUES WITH ADJUDICATION

- Most of the issues of criminals not being adjudicated are related to a lack of public safety personnel in Anchorage and the unwillingness of the State prosecutors and courts to continue the State's responsibility to prosecute felony cases.

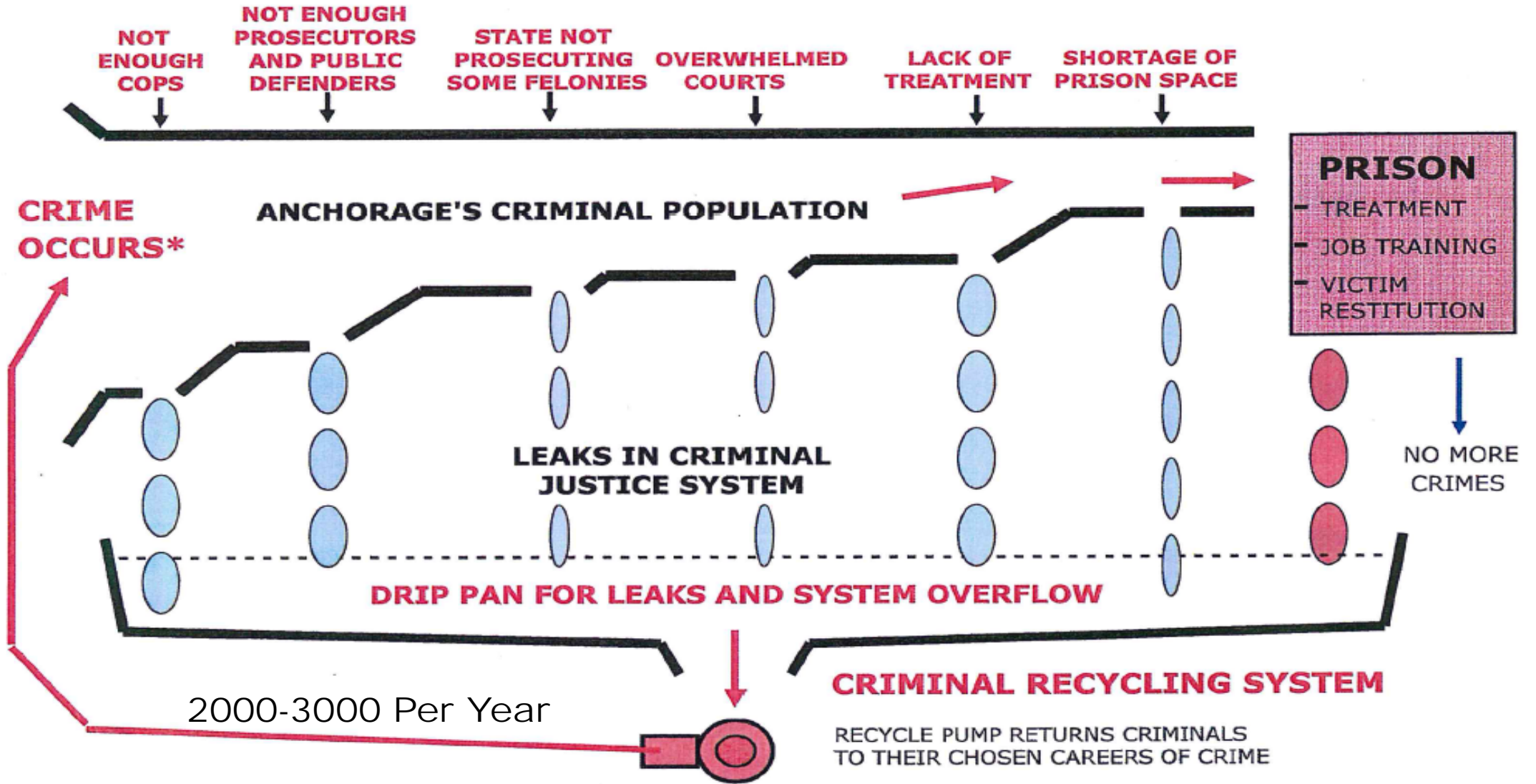


TREATMENT CAPACITY

- Our State and local treatment capacity for substance abuse and mental health issues are at an all time low compared to the dramatically increased need for these services.



ANCHORAGE'S CRIMINAL JUSTICE CLOGGED AND LEAKING PIPE



* **CRIMES** ASSAULTS, PROPERTY, DRUGS AND ALCOHOL, FIREARMS, SEX, WHITE COLLAR, PAROLE VIOLATIONS



INCOME & IMPLEMENTATION

The 3% sales tax will raise approximately \$110-150 million per year for the 6 years of its implementation.

- Operations and admin costs about \$3 million per year. Estimated 28 FTE.
- It will take up to 2 years to prepare and implement.
- AO 2019-156(S) allows Assembly to set the date of levy, when the Admin is prepared
- The Administration is able to begin hiring and training staff in advance of the tax implementation.
- $\frac{1}{2}$ for crime fighting tools and resources (above the tax cap)
- $\frac{1}{2}$ for property tax relief (below the tax cap)



DISBURSEMENT OF INCOME: CRIME FIGHTING

- Half of the \$110 million will be used to hire more police officers, dispatch and admin staff.
 - Anchorage presently has about half the number of officers as other U.S. cities of our size.
- Our Municipal Prosecutors each have over 250 cases each and are swamped and cannot prepare cases to go to court in a timely fashion and thus thousands of cases are dropped.
 - A 2007 US DOJ study of prosecutors offices showed the average felony caseload per prosecutor = 94
 - ABA Standard 3-1.8, Appropriate Workload: should not interfere with quality representation or endanger fairness, accuracy, and timely disposition
 - Forensic evidence is often not available in a timely fashion, allowing criminals to continue their crimes.
 - Hundreds of convicted criminals are not able to get treatment in a timely fashion.



DISBURSEMENT OF INCOME: CRIME FIGHTING

AO 2019-156(S) Charter amendment dedication of revenue:

- (2) one-half to public safety purposes to combat crime, specifically:
 - (A) compensation for **additional** police officers, 9-1-1 emergency dispatch, and forensic evidence technician positions,
 - (B) prosecutors and staff support for them,
 - (C) mental and behavioral health services for inmates and convicts, and
 - (D) municipal support or programs for criminal courts and parole supervision.



DISBURSEMENT OF INCOME: PROPERTY TAX RELIEF

- The other \$55+ million will be used for property tax relief ... around \$300 to \$550 per homeowner.

Difficulties:

- Lack of reliable retail sales data in the MOA
- Property tax levy adopted in May (by law)
- Budgeted under the tax cap:
 - Property tax levy set based on projected revenue needs
 - Sales tax revenues from June – December: will it exceed the cap? Fall short?

Solution:

- Sales tax in Year 1 for expenditure in Year 2, etc.
- 3 year transition



DISBURSEMENT OF INCOME: PROPERTY TAX RELIEF

3 year transition, what's collected?

- Year 0: Property tax status quo
- Year 1: Property tax + partial year sales tax (Tax cap exception)
- Year 2: Property tax less about \$25 million + full year sales tax (Tax cap exception)
- Year 3: Property tax reduced by \$60 million + full year sales tax (Tax cap restored)

	Property Tax	1st Half Sales	2nd Half Sales	Total Tax	Status quo tax cap (no sales tax)	Prop + Last year's sales	Escalation for Next Year	Notes
2021	500	0	0	500	500	500	505	
2022	505	0	30	535	505	505	480	7.a.; special taxes on top
2023	480	30	30	540	510	510	455	7.b.; special taxes on top
2024	455	29	31	515	515	515	520	7.c. special taxes no longer on top
2025	460	28	32	520	520	520	526	
2026	466	27	33	526	526	526	531	



ENFORCEMENT

- AO 2019-156(S) will only be enforced for 6 years unless Anchorage voters re-authorize some or all portions of the AO.
 - We anticipate that 6 years will be enough time for our Public Safety Personnel to put thousands of criminals in jail and significantly reduce our crime rate.
 - Also within that period, we will know if the State is going to get its financial house in order and return to prosecuting all local felonies, provide substance abuse and mental health treatment, and provide adequate and timely forensic lab work.



PUBLIC CONFIDENCE

- In addition to crime reduction, we anticipate that there will be a significant increase in public confidence in our criminal justice system.
- Public safety and criminal justice is the most important function of Government.
- Anchorage citizens demand that we do more to make them and their children safe.
- Tourist investors and potential new residents are not attracted to an area that has the highest rates of rape, child abuse and domestic violence in the nation.



PUBLIC CONFIDENCE (CONTINUED)

- The fiscal cost of crime to our citizens and community dwarfs the cost of adding more Public Safety Staff on an annual basis
- AO 2019-156(S) does not unduly impact low income persons and families because of a long list of exemptions for basic living expenses.
- Many (most) citizens believe that we should diversify our tax base and property owners will be inclined to support tax relief.
- Our citizens deserve to have a chance to vote on their priority for their safety and we can trust them.
- Removing criminals from the homeless population will help us assuage some of the homeless issues.



THANK YOU!

Questions ?

