

# CITY COUNCIL REPORT



**Meeting Date:** June 4, 2013  
**General Plan Element:** *Economic Vitality*  
**General Plan Goal:** *Sustain Scottsdale as a tourist destination*

## **ACTION**

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**Adopt Ordinance No. 4078 to amend Chapter 16, Article XIV, Escort, Escort Bureaus and Introductory Services.**

**Adopt Resolution No. 9375 to declare Exhibit A, entitled "Article XIV, Escorts, Escort Assistants and Bureaus, Chapter 16 of the Scottsdale Revised Code" as a public record.**

## **BACKGROUND**

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Chapter 16, Article XIV was initially adopted on February 1, 1988 for the purposes of limiting prostitution within Scottsdale. It was felt at that time that such an ordinance was needed to allow Scottsdale to be pro-active in its vice and prostitution enforcement related to the escort industry.

Chapter 16, Article XIV of the Scottsdale Revised Code, Escort, Escort Bureaus and Introductory Services, was last updated on July 15, 1991. At that time, the Code was updated to make revisions to Section 16-463 that added language related to fingerprint requirements for renewal of licenses, Section 16-466, related to the revocation of escort bureau licenses and Section 16-467 concerning revocation of permits for escorts. In addition Section 16-469 updated language related to reviews and appeals and Section 16-471 made changes to the fees for the licenses and permits required under this code. (Attachment 3) This 1991 update was one part of an ordinance that made changes to several articles within Chapter 16.

The current proposed updates are being made to address several concerns. This ordinance has remained largely unchanged, except for the sections in the 1991 update, for twenty five years. Over that period crimes that are associated with the escort industry have changed and evolved. The industry itself has undergone a transition from being primarily a service that was offered through escort bureaus to one that now primarily includes businesses run by individual escorts and often with the help of an escort assistant (bodyguards, drivers, schedulers, etc.) The current ordinance is outdated and does not allow for regulation of these types of businesses. According to Police Department reports, approximately 68% of escort crimes are related to prostitution. The proposed revisions will help combat prostitution and other crime while helping insure the integrity and professionalism of legitimate escorts.

## **ANALYSIS & ASSESSMENT**

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### **Recent Staff Action**

In order to address the reality of the current escort business and to assist law enforcement in dealing with the crimes associated with this activity, staff came together to update the current code language and structure. According to Police Department reports, there are multiple crimes now associated with the escort industry. They are crimes such as prostitution, possessing dangerous drugs, aggravated robbery and others.

The Escort Ordinance Revision Cross Departmental Team has been meeting since December, 2011. The team was made up of representatives from the City Attorney's Office, the Police Department, Office of Communications and Tax and License. During these meetings Article XIV was reviewed to assess how each section needed to be changed to deal with the current operation of the escort industry. This review resulted in significant changes to the current ordinance. The proposed changes in the Escorts, Escort Assistants and Bureaus ordinance better regulate the industry in the current environment.

### **Significant Issues to be Addressed**

An issue that needed to be addressed was that the current ordinance does not include a Purpose Statement. The review group thought that adding this statement was important to clearly state the necessity for these regulations. In the proposed updates, language was added to clarify that escort businesses may and do generate detrimental effects on the health, safety and welfare of the public. (Attachment 2)

According to Police Department reports, purported escorts have become savvy to law enforcement techniques and are using methods to derail officers from completing their investigations of prostitution. With a strong escort ordinance in place, violations are easier to obtain. Currently an offer of time for money will qualify and escort violations do not require undercover operations. Scottsdale is a location that is attractive to the illegitimate escort businesses because they can charge customers more, other states have implemented stricter laws, and the number of resorts and hotels in the area is attractive. The revisions to this ordinance will help maintain the integrity and professionalism of anyone engaged in the business of providing legitimate escort services. Attachment 4 contains web addresses for articles related to sexual crimes in the Phoenix metro area, outreach groups set up to help victims, and general information on related topics.

According to a study released by Arizona State University in 2012, <https://asunews.asu.edu/20120924 backpage study>, found that nearly 80% of the adult services ads listed on Backpage.com are for prostitutes. Eighty eight girls advertising on this website, and believed to be less than 18 years of age, were reported to Phoenix police.

Under the revised ordinance, the persons that must be licensed were updated to allow individual permits for escorts and escort assistants. The current ordinance does not allow for an escort to have a permit unless she is part of a licensed escort bureau. There are also no provisions regulating escort assistants. With the current situation in the escort industry these proposed changes are critical to assisting law enforcement in reducing and suppressing criminal activity. The licenses for an Escort Bureau and Introductory Service are maintained in the proposed code update.

Additional criteria were added to the application requirements that each applicant must meet in Ordinance 4078. These are in Section 460(d) (5) through (8). (Attachment 2) These were added to prevent those with criminal histories within the last 10 years involving sexual crimes against children and prostitution convictions to be permitted or licensed.

The fees for the permits and licenses required for this ordinance were updated. (Attachment 5, Proposed Fee schedule). These changes were necessary to include the added categories of permits that were written into the proposed code update.

Some of the other significant changes that were included in this update were:

- The addition of City transaction forms that escorts and escort assistants will be required to complete.
- Expansion of the list of violations to address illegal sexual services by illegitimate escorts.
- Addition of mandatory jail time for certain violations of the ordinance
- Revised definitions to define the industry in its current state including adding the role of escort assistants
- Updated language to conform to recent State legislation on licensing timeframes.
- Requirements for adding the Scottsdale permit number to all advertisements for services.

### **Community Involvement**

Due to the nature of the current escort industry, public outreach was accomplished by providing opportunities for feedback on the website, [www.scottsdaleaz.gov/codes/escort](http://www.scottsdaleaz.gov/codes/escort) (Attachment 6). Individual letters were sent to the three licensed introductory services requesting that they provide feedback. As of May 20, 2013 no feedback from the industry or the public has been received.

## **RESOURCE IMPACTS**

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### **Staffing, Workload Impact**

Current Tax and License staff will be able to handle the additional requirements of the ordinance changes. The additional ID cards and photos can be processed on the equipment that Tax and License currently uses. Programming changes will be handled by the Business Services Technical team. Guideline materials, applications and web pages will need to be updated and will also be handled by current staff. The Police Department currently handles any escort related criminal activity.

### **Maintenance Requirements**

Both the computer programming and other administrative processing costs will be covered by the increased fees and the current budget for the departments.

### **Cost Recovery Options**

Fees have been added to cover the additional permitting of escorts and escort assistants. The proposed fee increase is to cover the cost of the administration and maintenance of the licenses,

including fingerprinting and the additional processing required for the permit ID cards. The areas that support and enforce this ordinance are funded through the general fund budget.

## **OPTIONS & STAFF RECOMMENDATION**

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### **Recommended Approach**

Adopt Ordinance 4078 and update the current Escort, Escort Bureaus and Introductory Services ordinance.

### **Description of Option B**

Adopt Ordinance 4078 with modifications or direct staff to revise the ordinance for reconsideration.

### **Description of Option C**

Not adopt Ordinance 4078

### **Proposed Next Steps**

If adopted, staff will make the necessary changes to processes and systems to administer the ordinance updates by the adoption date.

## **RESPONSIBLE DEPARTMENT(S)**

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Police Department

Finance and Accounting

City Attorney's Office

## **STAFF CONTACTS (S)**

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Scott Popp, Commander, [spopp@scottsdaleaz.gov](mailto:spopp@scottsdaleaz.gov)

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Luis Santaella, Sr. Assistant City Attorney, [lsantaella@scottsdaleaz.gov](mailto:lsantaella@scottsdaleaz.gov)

## **APPROVED BY**

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Alan Rodbell, Chief of Police

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5-17-13

Date

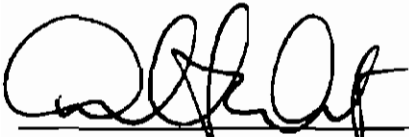


David Smith, City Treasurer

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5.20.13

Date



Daniel Worth, Acting City Manager

(480)312-2811, [dworth@scottsdaleaz.gov](mailto:dworth@scottsdaleaz.gov)

5.20.13

Date

## ATTACHMENTS

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1. Resolution 9375
2. Ordinance number 4078
3. Text of 1991 Update to Chapter 16, Article XIV
4. List of web articles and resources concerning child and adult prostitution.
5. Proposed Fee schedule
6. Current text of Proposed Escort, Escort Assistant and Escort Bureau webpage.

RESOLUTION NO. 9375

A RESOLUTION OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, DECLARING AS A PUBLIC RECORD THAT CERTAIN DOCUMENT FILED WITH THE CITY CLERK OF THE CITY OF SCOTTSDALE AND ENTITLED "AMENDMENTS TO ARTICLE XIV, ESCORTS, ESCORT BUREAUS AND INTRODUCTORY SERVICES, CHAPTER 16 OF THE SCOTTSDALE REVISED CODE."

WHEREAS, State Law permits cities to declare documents a public record for the purpose of incorporation into city ordinances; and

WHEREAS, the City of Scottsdale wishes to incorporate by reference amendments to the provisions regarding Escorts, Escort Bureaus and Introductory Services in Chapter 16, Licenses, Taxation and Miscellaneous Business Regulations, of the Scottsdale Revised Code, by first declaring said amendments to be a public record;

NOW, THEREFORE BE IT RESOLVED, by the Council of the City of Scottsdale, Maricopa County, Arizona, as follows:

Section 1. That certain document entitled "Amendments to Article XIV, Escorts, Escort Bureaus and Introductory Services, Chapter 16 of the Scottsdale Revised Code," attached as Exhibit A, three copies of which are on file in the office of the City Clerk, is hereby declared to be a public record. Said copies are ordered to remain on file with the City Clerk for public use and inspection.

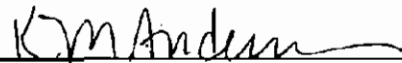
ATTEST:

CITY OF SCOTTSDALE, an  
Arizona municipal corporation

By: \_\_\_\_\_  
Carolyn Jagger, City Clerk

By: \_\_\_\_\_  
W.J. "Jim" Lane, Mayor

APPROVED AS TO FORM:  
OFFICE OF THE CITY ATTORNEY

  
Bruce Washburn, City Attorney  
By: Kathe Anderson, Assistant City Attorney

## AMENDMENTS TO ARTICLE XIV, ESCORTS, ESCORT BUREAUS AND INTRODUCTORY SERVICES, CHAPTER 16 OF THE SCOTTSDALE REVISED CODE

Section 1. The title of Article XIV, Escorts, Escort Bureaus and Introductory Services, is revised as follows:

### ARTICLE XIV. ESCORTS, ESCORT ASSISTANTS AND ESCORT BUREAUS AND INTRODUCTORY SERVICES

Section 2. Article XIV, Sections 16-452 through 16-474 are deleted and replaced with Sections 16-452 through 16-474 as follows:

#### **Sec. 16-452. Findings and purpose.**

- (a) The council finds that escort businesses may and do generate secondary effects which are detrimental to the public health, safety, and welfare. Among these secondary effects are (1) prostitution and other sex related offenses, (2) drug use and dealing, (3) health risks through the spread of AIDS and other sexually transmitted diseases, (4) assault of patrons and theft of patrons' money and possessions, and (5) infiltration by organized crime participating in drug and sex related business activities, laundering of money and other illicit conduct.
- (b) The purposes of this article are to regulate escorts, escort assistants and escort bureaus, to inhibit prostitution, protect escort patrons and preserve the general peace, health and welfare of the community.

#### **Sec. 16-453. Definitions.**

Unless the context otherwise requires, the following words shall have the following meanings:

*Control* means the power to direct or cause the direction of the management and policies of an applicant, licensee or controlling person, in any way. Control is presumed to exist:

- (1) In a privately-held corporation, if a person has the direct or indirect ownership of or power to vote ten (10) percent or more of the outstanding voting securities of the applicant, licensee or controlling person, or to control in any manner the election of one or more of the directors of the applicant, licensee or controlling person. To determine the percentage of voting securities owned, controlled or held by a person, there shall be added the voting securities of any other person controlled by (i) that person, or (ii) by an officer, partner, employee or representative of that person or (iii) by a spouse, parent or child of that person.
- (2) In a publicly-held corporation, in an on-site manager who directs the daily operation of the massage facility, and every additional manager at the same location to whom the on-site manager reports, whether or not the on-site manager or additional manager(s) has any ownership interest in the massage facility.
- (3) In a partnership, if the general partner or a limited partner holds ten (10) percent or more of the voting rights of the partnership.
- (4) In a limited liability company, if a member holds ten (10) percent or more of the voting rights of the company.
- (5) If a creditor of the applicant, licensee or controlling person holds a beneficial interest in ten (10) percent or more of the liabilities of the applicant, licensee or controlling person.



- (6) In an on-site manager of a massage facility who directs the daily operation of the massage facility, whether or not the on-site manager has any ownership interest in the massage facility.

*Controlling person* means a person directly or indirectly possessing control of an applicant, or licensee.

*Escort* means any person who is hired, or offered for hire, to accompany one or more other persons to social, business or entertainment gatherings, public or private, for compensation of any kind. A person is an escort even if other services are provided to the patron, if such services are merely incidental to the escort services.

*Escort assistant* means any person who assists an escort in the escort's services, including a person who drives an escort, provides scheduling or referral services, provides security services, offers or furnishes an escort, or introduces patrons to escorts.

*Escort bureau* means a business to refer or furnish, for compensation of any kind, escorts to patrons, or patrons to escorts. An escort bureau includes an introductory service.

*Introductory service* means a business providing acquaintances or companionship, for compensation of any kind, by (1) introducing patrons to other patrons, and/or (2) providing patrons with information about other patrons.

*Patron* means any person who contracts with, or employs, an escort, escort assistant, escort bureau or introductory service for compensation of any kind.

*Sexual services* means sexual intercourse, oral-genital contact, and touching any person's genitals or buttocks, or the breast of a female person, to arouse or gratify sexual desire.

#### **Sec. 16-454. Permits required.**

A person who acts as an escort or escort assistant in the city shall first obtain and maintain in effect an escort permit or escort assistant permit in conformance with this article.

#### **Sec. 16-455. Applicability of regulations to existing escorts and escort assistants.**

This article is applicable to all escorts and escort assistants whether or not they were acting as escorts or escort assistants before the effective date of this article. All escorts and escort assistants shall have sixty (60) days from the effective date of this article to comply with this article.

#### **Sec. 16-456. Permits generally; minimum requirements.**

- (a) The permits required by this article are in addition to any other applicable licenses or permits required by the city, county or state. Escorts and escort assistants permitted under this article shall comply with all other applicable ordinances and laws, including the city zoning ordinance.
- (b) All permits issued under this article shall be for a period of one (1) year after the issuance date, but may be revoked or renewed under this article.
- (c) All permits issued under this article are non-transferable between persons.
- (d) An applicant for a permit under this article shall meet the following minimum requirements, to the director's satisfaction:
  - (1) The applicant shall be at least eighteen (18) years old;
  - (2) The applicant shall be a citizen of the United States or non-citizen authorized to work in the United States, and shall provide proof required by A.R.S. §41-1080(A);
  - (3) The applicant shall not, within five (5) years before the application date, have been convicted of an offense described in article I of this chapter;
  - (4) The applicant shall not, within five (5) years before the application date, (a) have voluntarily surrendered any escort-related permit as a result of or



- while under investigation, (b) have had an escort-related permit or similar permit denied or revoked by a political subdivision of Arizona, or a regulatory board in another United States jurisdiction for an act that occurred in that jurisdiction that would be a violation under this article;
- (5) The applicant shall not be a registered sex offender or required by law to register as a sex offender;
  - (6) The applicant shall not, within ten (10) years before the application date, be convicted of prostitution or operating a prostitution enterprise.
  - (7) The applicant shall not, within ten (10) years preceding the application date, be convicted of an offense involving sexual misconduct with a child, including sexual abuse, sexual assault, sexual conduct, sexual molestation and sexual exploitation;
  - (8) The applicant's record shall be free of all reasons to deny an application under this article and article I of this chapter.
- (e) The director shall issue a duplicate permit to a permit holder whose permit has been lost, stolen or damaged:
- (1) For free, if the permit is emailed to the permit holder, or
  - (2) Upon receipt of the fee for a duplicate permit, if the permit is mailed to the permit holder.

**Sec. 16-457. Application for escort or escort assistant permit.**

- (a) *Filing.* An applicant for an escort or escort assistant permit shall file an application with the director.
- (b) *Contents—applicant.* The application shall contain the following information about the applicant:
  - (1) The full name, including any aliases and business trade names used by the applicant within five (5) years before the application date.
  - (2) Present residence and business addresses, telephone numbers, email addresses and websites.
  - (3) Each residence and business address for five (5) years before the application date and the inclusive dates of each such address.
  - (4) Height, weight, color of eyes and date of birth.
  - (5) Proof that the applicant is at least eighteen (18) years of age.
  - (6) A complete description of the exact nature of the business to be conducted, including advertising theme and method, employment qualifications and copies of contracts to be used with patrons.
  - (7) Copies of all print and electronic advertisements being used by the applicant.
  - (8) The person or persons who will have custody of the business records.
  - (9) The business, occupation and employment history for three (3) years before the application date.
  - (10) Information whether the applicant has ever been refused any similar license or permit or has had any similar license or permit revoked or suspended, and the reasons therefor.
  - (11) All prior criminal convictions, except minor traffic offenses, within ten (10) years before the application date.
  - (12) Proof that the applicant is a United States citizen or non-citizen authorized to work by the United States government.
  - (13) Valid driver's license from any state in the United States, or United States government-issued photo identification.
  - (14) Complete fingerprints.



- (c) *Issuance of permit.* The director shall issue the permit upon the following circumstances:
  - (1) The requirements of article I and this article have been met.
  - (2) The applicant has no license or permit similar to an escort or escort assistant permit revoked or suspended within five (5) years before the application date.
  - (3) The applicant has no outstanding arrest warrants.
- (d) *Denial of application, notification of applicant.* The director shall deny the permit application if the requirements set forth in subsection (c) of this section have not been met. The director shall notify the applicant of the denial and the reasons therefor.

**Sec. 16-458. Licenses required.**

Escort bureaus conducting business in the city shall obtain and maintain in effect an escort bureau license in conformance with this article.

**Sec. 16-459. Applicability of regulations to existing escort bureaus.**

This article is applicable to all escort bureaus whether or not they were acting as escort bureaus before the effective date of this article. All escort bureaus shall have sixty (60) days from the effective date of this article to comply with this article.

**Sec. 16-460. Licenses generally; minimum requirements.**

- (a) The licenses required by this article are in addition to any other applicable licenses or permits required by the city, county or state. Escort bureaus licensed under this article shall comply with all other applicable ordinances and laws, including the city zoning ordinance.
- (b) All licenses issued under this article shall be for a period of one (1) year after the issuance date, but may be revoked or renewed under this article.
- (c) All licenses issued under this article are non-transferable between persons.
- (d) An applicant for a license, and all the applicant's managers and controlling persons, shall meet the following minimum requirements, to the director's satisfaction:
  - (1) Each person shall be at least eighteen (18) years old;
  - (2) Each person shall be a citizen of the United States or non-citizen authorized to work in the United States, and shall provide proof required by A.R.S. §41-1080(A);
  - (3) Each person shall not, within five (5) years before the application date, have been convicted of an offense described in article I of this chapter;
  - (4) Each person shall not, within five (5) years before the application date, (A) have voluntarily surrendered any license or permit related to an escort bureau as a result of or while under investigation, (B) have had any license or permit related to an escort bureau denied or revoked by a political subdivision of Arizona, or a regulatory board in another United States jurisdiction for an act that occurred in that jurisdiction that would be a violation under this article;
  - (5) Each person shall not be a registered sex offender or required by law to register as a sex offender;
  - (6) Each person shall not, within ten (10) years before the application date, be convicted of an offense involving sexual misconduct with a child, including sexual abuse, sexual assault, sexual conduct, sexual molestation and sexual exploitation;



- (7) Each person shall not, within ten (10) years before the application date, be convicted of prostitution or operating a prostitution enterprise.
- (8) Each person's record shall be free of all reasons to deny an application under this article and article I of this chapter.
- (e) The director shall issue a duplicate license to a license holder whose license has been lost, stolen or damaged:
  - (1) For free, if the license is emailed to the license holder, or
  - (2) Upon receipt of the fee for a duplicate license, if the license is mailed to the license holder.

**Sec. 16-461. Application for escort bureau license.**

- (a) *Filing.* An applicant for an escort bureau license shall file an application with the director.
- (b) *Contents—applicant.* The application shall contain the following information about the applicant:
  - (1) The full name, including any aliases and business trade names used by the applicant within five (5) years before the application date.
  - (2) Present residence and business street addresses from which the business will be operated, telephone numbers, email addresses and websites. Post office box addresses will not be accepted.
  - (3) Each residence and business address for five (5) years before the application date and the inclusive dates of each such address.
  - (4) Height, weight, color of eyes and date of birth.
  - (5) Proof that the applicant is at least eighteen (18) years of age.
  - (6) A complete description of the exact nature of the business to be conducted, including advertising theme and method, employment qualifications and copies of contracts to be used with patrons.
  - (7) Copies of all print and electronic advertisements being used by the applicant.
  - (8) The person or persons who will have custody of the business records.
  - (9) Agent for service of process.
  - (10) The name and residential addresses of all persons employed by an escort bureau as escorts.
  - (11) The business, occupation and employment history for three (3) years before the application date.
  - (12) Information whether the applicant has ever been refused any similar license or permit or has had any similar license or permit revoked or suspended, and the reasons therefor.
  - (13) All prior criminal convictions, except minor traffic offenses, within ten (10) years before the application date.
  - (14) Proof that the applicant is a United States citizen or non-citizen authorized to work by the United States government.
  - (15) Valid driver's license from any state in the United States, or United States government-issued photo identification.
  - (16) Complete fingerprints.
- (c) *Contents—applicant's managers and controlling persons.* The application shall contain the following information about the applicant's managers and controlling persons:
  - (1) The name, including any aliases, and business trade names.
  - (2) Present residence and business addresses, telephone numbers, email addresses and websites.



- (3) Each residence and business address for five (5) years before the application date and the inclusive dates of each such address.
- (4) Proof that each person is at least eighteen (18) years of age.
- (5) Information whether the manager or controlling person has ever been refused any similar license or permit or has had any similar license or permit revoked or suspended, and the reasons therefor.
- (6) All prior criminal convictions, except minor traffic offenses, within five (5) years before the application date.
- (7) Complete fingerprints.
- (8) Proof that the manager and controlling persons are United States citizens or non-citizens authorized to work by the United States government.
- (d) *Issuance of license.* The director shall issue the license upon the following circumstances:
  - (1) The requirements of article I and this article have been met.
  - (2) The applicant and the applicant's managers and controlling persons had no license or permit similar to an escort bureau license revoked or suspended within five (5) years before the application date.
  - (3) The applicant and the applicant's managers and controlling persons have no outstanding arrest warrants.
- (e) *Denial of application, notification of applicant.* The director shall deny the license application if the requirements set forth in subsection (d) of this section have not been met. The director shall notify the applicant of the denial and the reasons therefor.

**Sec. 16-462. Information update.**

Within ten (10) days of the change, an applicant, permit holder or license holder shall provide the director, in writing, changes to the information previously submitted under this chapter. Within ten (10) days of the publication or dissemination of new advertising, the applicant, permit holder or license holder shall provide the director copies of the new advertising.

**Sec. 16-463. Permit and licenses timeframes.**

- (a) *Administrative timeframe.* Unless the permit or license has already been issued, within fifteen (15) days after receiving a permit or license application under this article, the director will determine whether the application is administratively complete, and notify the applicant as set forth in article I.
- (b) *Substantive timeframe.* Within forty-five (45) days after the director notifies the applicant that the application is administratively complete, the city will complete its substantive review of the permit or license application.
- (c) *Overall timeframe.* Within ninety (90) days after receiving an application under this article, the director will grant or deny a permit or license.
- (d) *Withdrawal.* An application is deemed withdrawn if, within thirty (30) days after the date of a request for additional information during the substantive timeframe, the applicant does not supply the information requested or provide justification for delay. On receipt of justification, the director shall allow the applicant thirty (30) additional days to provide the requested information before deeming the application withdrawn.
- (e) Except as otherwise provided, the timeframes in this section shall be extended and suspended as provided by state law.
- (f) The timeframes in this section apply to permit and license renewal.



**Sec. 16-464. Identification cards required.**

All escorts and escort assistants are required to obtain an identification card issued by the director. This card must be carried on the person of an individual while such person is engaged in the activity of an escort or escort assistant within the city. Such identification shall be displayed upon request of any city police officer or any other law enforcement official.

**Sec. 16-465. Fees.**

- (a) The fees related to escorts and escort assistant permits are:
  - (1) Escort and escort assistant initial application and late application renewal fee: one hundred dollars (\$100.00).
  - (2) New escort and escort assistant permit fee: one hundred dollars (\$100.00).
  - (3) Renewal escort and escort assistant permit fee: fifty dollars (\$50.00).
  - (4) City fingerprinting fee: ten dollars (\$10.00).
  - (5) State fingerprinting processing fee: as set by the Arizona Department of Public Safety.
  - (6) Identification card fee: ten dollars (\$10.00).
  - (7) Duplicate permit fee, if mailed: ten dollars (\$10.00). There is no fee for a duplicate permit, if sent electronically.
- (b) The fees related to escort bureaus are:
  - (1) Escort bureau initial application and late application renewal fee: one hundred dollars (\$100.00).
  - (2) Annual escort bureau license (new or renewal) fee: one hundred seventy-five dollars (\$175.00).
  - (3) Change in location fee: twenty-five dollars (\$25).
  - (4) City fingerprinting fee: ten dollars (\$10.00).
  - (5) State fingerprinting processing fee: as set by the Arizona Department of Public Safety.
  - (6) Duplicate license fee, if mailed: ten dollars (\$10.00). There is no fee for a duplicate permit, if sent electronically.
- (c) Payment of all applicable fees is due with the application submission.
- (d) No fees are prorated, transferable or refundable, except as provided by state law.

**Sec. 16-466. Renewal.**

- (a) An escort or escort assistant permit may be renewed by filing an application for renewal with the director. The permit holder shall also be fingerprinted. The escort or escort assistant shall specify changes that have occurred since the last application. To avoid a lapse in the permit, the permit holder applying for renewal shall file an application, with fingerprints, with the director no later than sixty (60) days before the expiration of the permit currently in effect. If a permit holder applies for renewal later than sixty (60) days before the expiration of the permit currently in effect, an additional non-refundable late application fee will be charged as set forth in this article.
- (b) An escort bureau license may be renewed by filing an application for renewal with the director. The license, license holder's manager(s) and controlling persons shall also be fingerprinted. The escort bureau shall specify changes that have occurred since the last application. To avoid a lapse in the license, the license holder applying for renewal shall file an application, with fingerprints, with the director no later than sixty (60) days before the expiration of the license currently in effect. If a license holder applies for renewal later than sixty (60) days before the expiration of the license currently in effect, an additional non-



refundable late application fee will be charged as set forth in this article.

**Sec. 16-467. Change in location.**

- (a) A change in location of a licensed escort bureau is subject to the director's approval, before transacting business at the new location. The director shall approve a change in location upon:
  - (1) Completion of an application for a change in location;
  - (2) Compliance with this article and all other city ordinances; and
  - (3) Payment of the change in location fee to the director.
- (b) To assure continued operation of the business without a lapse in the license, a license holder applying for a change in location shall file the application with the director within thirty (30) days of the change.

**Sec. 16-468. Revocation.**

In addition to the grounds stated in article I of this chapter, a permit or license issued pursuant to this article shall be revoked, in accordance with the procedures set forth in article I, upon a finding that the permit holder or license holder has:

- (1) Violated any provisions of this article.
- (2) Acted or advertised as an escort under a name other than the name on the permit.
- (3) Published or disseminated to any person any false or misleading information in connection with being an escort.

**Sec. 16-469. Records required.**

- (a) Every escort and escort assistant shall maintain, on city-approved forms, a complete legible written record of every transaction whereby the permit holder acted as an escort or escort assistant. The record shall show the date and hours of each transaction, the location(s) where the escort and patron went, the job capacity of the escort assistant (as applicable), and the name and telephone number of the patron(s) for whom the permit holder acted as an escort or escort assistant.
- (b) Every escort bureau shall maintain, on city-approved forms, a complete legible written record of the following information regarding each employee: name, including any aliases, address, telephone numbers, job title and job description.
- (c) Every escort, escort assistant and escort bureau shall maintain a copy of all advertisements used to attract patrons.
- (d) Every escort bureau and escort assistant shall:
  - (1) Assist only escorts who have current escort permits issued by the director.
  - (2) Maintain a current list of all escorts assisted by the escort bureau or escort assistant, showing the name and current address of each.
  - (3) Maintain a complete legible written record of which escort is involved in each transaction listed under subsection (a) above.
- (e) The records required by this section shall be kept available and open for inspection by the director, chief of police or their authorized representatives, upon request.
- (f) Each record required by this section shall be kept at least one (1) year after its creation.
- (g) The escort shall provide to each patron a written contract and receipt of payment for services. The contract shall clearly state the type of services to be performed, the length of time such services shall be performed, the total amount of money

such services shall cost the patron, and any special terms or conditions relating to the services to be performed.

**Sec. 16-470. Advertisements.**

All advertisements used by an escort, escort assistant or escort bureau, and likely to be seen by Scottsdale residents, shall contain the Scottsdale permit or license number of the permit or license holder.

**Sec. 16-471. Prohibited activities.**

- (a) It shall be unlawful for a permit holder to provide an escort to individuals under eighteen (18) years of age unless written and notarized authorization by a parent or legal guardian is given to the escort before the services are rendered.
- (b) It shall be unlawful for a person to provide the services of an escort or escort assistant without a permit issued under this article.
- (c) It shall be unlawful for an escort bureau to furnish an escort without a license issued under this article.
- (d) It shall be unlawful for an escort to provide sexual services to a patron.
- (e) It shall be unlawful for an escort assistant to allow an escort to provide sexual services to a patron.
- (f) It shall be unlawful for an escort to grope the clothing covering a patron's genitals, or the clothing covering the breasts of a female patron.
- (g) It shall be unlawful for an escort to touch himself or herself, or ask a patron to touch himself or herself, on the genitals, buttocks or breasts (of a female patron).
- (h) It shall be unlawful for an escort to request that a patron take off his or her clothing.

**Sec. 16-472. Penalties.**

- (a) In addition to any other remedies presented in this article, a person who is convicted of a violation of section 16-471 of this article shall be guilty of a class 1 misdemeanor.
  - (1) A person who is convicted of a first violation of section 16-471 of this article shall be sentenced to serve at least fifteen consecutive days in jail, and is not eligible for probation or suspension of execution of sentence until the entire sentence is served.
  - (2) A person who is convicted of a second violation of section 16-471 of this article shall be sentenced to serve at least thirty consecutive days in jail, and is not eligible for probation or suspension of execution of sentence until the entire sentence is served.
  - (3) A person who is convicted of a third violation of section 16-471 of this article shall be sentenced to serve at least sixty consecutive days in jail, is not eligible for probation or suspension of execution of sentence until the entire sentence is served and shall complete an appropriate court ordered education or treatment program.
- (b) In addition to any other remedies presented in this article, a person who is convicted of any other violation of this article shall be guilty of a class 2 misdemeanor, with a minimum fine of two hundred dollars (\$200).
- (c) Revocation of a permit shall not be a defense against prosecution.

**Secs. 16-473 and 16-474. Reserved.**



ORDINANCE NO. 4078

AN ORDINANCE OF THE CITY OF SCOTTSDALE, MARICOPA COUNTY, ARIZONA, REVISING ARTICLE XIV, SECTIONS 16-452 THROUGH 16-474, OF CHAPTER 16, LICENSES, TAXATION AND MISCELLANEOUS BUSINESS REGULATIONS, OF THE SCOTTSDALE REVISED CODE, TO REGULATE ESCORTS, ESCORT ASSISTANTS AND ESCORT BUREAUS.

WHEREAS, the City of Scottsdale wishes to amend the Scottsdale Revised Code provisions relating to the regulation of escorts, escort bureaus and introductory services; and

WHEREAS, the City Council held a public hearing on June 4, 2013 to consider amendments to Chapter 16 of the Scottsdale Revised Code; and

WHEREAS, that certain document entitled "Amendments to Article XIV, Escorts, Escort Bureaus and Introductory Services, Chapter 16 of the Scottsdale Revised Code," three copies of which are on file in the office of the City Clerk, was declared to be a public record by Resolution No. 9375.

THEREFORE BE IT ORDAINED by the Council of the City of Scottsdale as follows:

**Section 1.** An ordinance of the Council of the City of Scottsdale regulating escorts, escort assistants and escort bureaus, as specified in that certain document entitled "Amendments to Article XIV, Escorts, Escort Bureaus and Introductory Services, Chapter 16 of the Scottsdale Revised Code" declared to be a public record by Resolution No. 9375 of the City of Scottsdale, is hereby referred to, adopted in its entirety and made a part hereof as if fully set out in this Ordinance.

**Section 2.** The penalties for violations of Article XIV, Escorts, Escort Bureaus and Introductory Services, are in Sec. 16-472. Penalties:

**Sec. 16-472. Penalties.**

- (a) In addition to any other remedies presented in this article, a person who is convicted of a violation of section 16-471 of this article shall be guilty of a class 1 misdemeanor.
  - (1) A person who is convicted of a first violation of section 16-471 of this article shall be sentenced to serve at least fifteen consecutive days in jail, and is not eligible for probation or suspension of execution of sentence until the entire sentence is served.
  - (2) A person who is convicted of a second violation of section 16-471 of this article shall be sentenced to serve at least thirty consecutive days in jail, and is not eligible for probation or suspension of execution of sentence until the entire sentence is served.
  - (3) A person who is convicted of a third violation of section 16-471 of this article shall be sentenced to serve at least sixty consecutive days in jail, is not eligible for probation or suspension of execution of sentence until the

entire sentence is served and shall complete an appropriate court ordered education or treatment program.

- (b) In addition to any other remedies presented in this article, a person who is convicted of any other violation of this article shall be guilty of a class 2 misdemeanor, with a minimum fine of two hundred dollars (\$200).
- (c) Revocation of a permit shall not be a defense against prosecution.

Section 3. The effective date of this ordinance is August 1, 2013.

Section 4. If any section, subsection, sentence, clause, phrase or portion of this ordinance or any part of the code adopted herein is for any reason held to be invalid or unconstitutional by the decision of any court of competent jurisdiction, such decision shall not affect the validity of the remaining portions thereof.

PASSED AND ADOPTED by the City Council of the City of Scottsdale this 4<sup>th</sup> day of June, 2013.

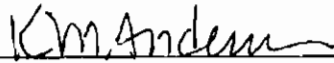
ATTEST:

CITY OF SCOTTSDALE, an  
Arizona municipal corporation

\_\_\_\_\_  
Carolyn Jagger, City Clerk

\_\_\_\_\_  
W.J. "Jim" Lane, Mayor

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Bruce Washburn, City Attorney  
By: Kathe Anderson, Assistant City Attorney

Selected text from Ordinance 2375 as it relates to Chapter 16, Article XIV, Escort, Escort Bureaus and Introductory Services.

Section 14. Section 16-463 of the Scottsdale Revised Code is hereby amended to read as follows:

**Sec. 16-463. License and permit renewal.**

The escort bureau and introductory service license, and escort permit must be renewed by filing an application for renewal on a form provided by the tax and license office. The renewal form shall specify what changes in any answers to the information supplied with the original application have occurred. The application for renewal and all required information shall be filed with the tax and license office thirty (30) days prior to the expiration of the license or permit. All applicants for renewal shall also submit themselves for fingerprinting at the police department within the time provided herein.

Section 15. Section 14-466 of the Scottsdale Revised Code is hereby repealed and replaced by a new section 16-466, which shall read as follows:

**Sec. 16-466. Revocation of license.**

In addition to the grounds stated in article I of this chapter, a license issued pursuant to this article shall be revoked, in accordance with the procedures set forth in article I, upon a finding that the licensee, its agent, employee, escort, partner, director, officer, stockholder, manager (key employee) or person exercising managerial authority of or on behalf of the licensee has committed any of the following acts:

(1) Violated any provisions of this article;

(2) Knowingly made any false, misleading or untruthful statements, intentional misrepresentations of a material fact, or concealed material facts in an application for a business license, report or record to be filed with the tax and license office. It is presumed any information in an application, report or record is made knowingly if signed by the applicant or authorized agent;

(3) Conducted or advertised an escort business under an unlicensed fictitious name, or at an unlicensed address;



(4) Published, uttered, disseminated or conveyed, either publicly or privately, to an individual any false, deceptive or misleading statements or advertisements in connection with the operation of a business licensed hereunder.

(5) Committed any act constituting dishonesty or fraud, or committed any unlawful, false or fraudulent, deceptive or dangerous act while conducting business.

(6) Conducted business as a licensee as a corporation when no longer legally permitted to do so in this state.

(7) Been convicted of any crime set out in any statute, ordinance or regulation relating to licensed activities.

Section 16. Section 16-467 of the Scottsdale Revised Code is hereby repealed and replaced by a new section 16-467, which shall read as follows:

Sec. 16-467. Revocation of permit.

In addition to the grounds stated in article I of this chapter, a permit issued pursuant to this article shall be revoked, in accordance with the procedures set forth in article I, upon a finding that the permittee has violated any provisions of this article.

Section 17. Section 16-469 of the Scottsdale Revised Code is hereby repealed and replaced with a new section 16-469, which shall read as follows:

Sec. 16-469. Review and appeals.

Any person aggrieved by any decision with respect to either the denial of or a refusal to issue a license, or the revocation of a license which is subject to this article, shall be entitled to the review and appeal procedures provided in article I of this chapter.

Section 18. Section 16-471 of the Scottsdale Revised Code is hereby amended to read as follows:

Sec. 16-471. Fees.

(a) The application fee for the application required for an escort bureau or introductory service license shall be one hundred seventy-five dollars (\$175.00).

(b) The annual renewal fee for an escort bureau or introductory service license shall be fifty dollars (\$50.00).

<b>Web articles and Educational sites</b>	
<a href="http://www.azcentral.com/news/articles/2009/08/10/20090810abrkmurderarrest0810.html">http://www.azcentral.com/news/articles/2009/08/10/20090810abrkmurderarrest0810.html</a>	California man arrested in woman's death in Scottsdale
<a href="http://sharedhope.org/learn/fags/">http://sharedhope.org/learn/fags/</a>	Website of an international group striving to prevent conditions that foster sex trafficking.
<a href="https://asunews.asu.edu/20120924_backpage_study">https://asunews.asu.edu/20120924 backpage study</a>	Details of Backpage.com study done by ASU
<a href="http://www.azcentral.com/news/articles/2012/06/22/20120622woman-dies-after-found-bleeding-outside-scottsdale-apartment-abrk.html">http://www.azcentral.com/news/articles/2012/06/22/20120622woman-dies-after-found-bleeding-outside-scottsdale-apartment-abrk.html</a>	Death of an escort found stabbed in Scottsdale
<a href="http://streetlightusa.org/">http://streetlightusa.org/</a>	Organization whose mission is to "Stop child rape"
<a href="http://www.google.com/url?q=http://www.azcentral.com/community/scottsdale/articles/2012/04/09/20120409scottsdale-police-arrest-offering-girl-prostitution-abrk.html&amp;sa=U&amp;ei=igN1UP3bLK_oiAKwkIDoDQ&amp;ved=0CBcQFjAA&amp;usg=AFQjCNEALD3ObtiT6NvVd1P8LiVqg53fyQ">http://www.google.com/url?q=http://www.azcentral.com/community/scottsdale/articles/2012/04/09/20120409scottsdale-police-arrest-offering-girl-prostitution-abrk.html&amp;sa=U&amp;ei=igN1UP3bLK_oiAKwkIDoDQ&amp;ved=0CBcQFjAA&amp;usg=AFQjCNEALD3ObtiT6NvVd1P8LiVqg53fyQ</a>	Two arrested for offering 17 year old for prostitution in Scottsdale
<a href="http://www.covenanteyes.com/2010/04/07/branded-fighting-child-prostitution-in-america/">http://www.covenanteyes.com/2010/04/07/branded-fighting-child-prostitution-in-america/</a>	Article about child prostitution in the Phoenix metro area.
<a href="http://www.azcentral.com/community/phoenix/articles/2011/10/07/20111007phoenix-police-target-child-prostitution.html">http://www.azcentral.com/community/phoenix/articles/2011/10/07/20111007phoenix-police-target-child-prostitution.html</a>	Phoenix police vice squad targets child prostitution
<a href="http://abcnews.go.com/US/story?id=90557&amp;page=1">http://abcnews.go.com/US/story?id=90557&amp;page=1</a>	Exposing America's Ugly Child Sex Secret
<a href="http://www.phoenixmag.com/lifestyle/valley-news/200805/fighting-child-prostitution">http://www.phoenixmag.com/lifestyle/valley-news/200805/fighting-child-prostitution</a>	Fighting Child Prostitution
<a href="http://www.kpho.com/story/18920627/fbi-phoenix-pimp-busted-in-nationwide-child-prostitution-sting">http://www.kpho.com/story/18920627/fbi-phoenix-pimp-busted-in-nationwide-child-prostitution-sting</a>	Phoenix pimp busted in nationwide prostitution sting

**PROPOSED FEE CHANGES AND ADDITIONS RELATING TO THE LICENSING OF ESCORT BUREAUS, ESCORTS, AND ESCORT ASSISTANTS PURSUANT TO CHAPTER 16, ARTICLE XIV OF THE SCOTTSDALE REVISED CODE. THE FEES RELATED TO ESCORT BUREAUS, ESCORTS, AND ESCORT ASSISTANT LICENSES ARE:**

<b><u>TYPE</u></b>	<b><u>FEE</u></b>
<b>ESCORT BUREAU APPLICATION (INITIAL AND LATE)</b>	<b>\$100</b>
<b>ANNUAL ESCORT BUREAU LICENSE (NEW OR RENEWAL)</b>	<b>\$175</b>
<b>ESCORT AND ESCORT ASSISTANT APPLICATION (INITIAL AND LATE)</b>	<b>\$100</b>
<b>ESCORT AND ESCORT ASSISTANT PERMIT</b>	<b>\$100</b>
<b>ESCORT AND ESCORT ASSISTANT RENEWAL</b>	<b>\$50</b>
<b>CITY FINGERPRINTING FEE</b>	<b>\$10</b>
<b>ESCORT/ESCORT ASSISTANT IDENTIFICATION CARD</b>	<b>\$10</b>
<b>CHANGE OF LOCATION FEE (ESCORT BUREAU LICENSE)</b>	<b>\$25</b>
<b>DUPLICATE LICENSE FEE, IF MAILED</b>	<b>\$10</b>

**PLEASE NOTE:**

**THERE IS ADDITIONALLY A STATE FINGERPRINT PROCESSING FEE THAT IS SET BY THE ARIZONA DEPARTMENT OF PUBLIC SAFETY. CURRENTLY THAT FEE IS \$22 BUT IT IS SUBJECT TO CHANGE.**

Text Only



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Home / Codes and Ordinances / Escort, Escort Assistants and Escort Bureaus Ordinance (Proposed Update)

## Escort, Escort Assistants and Escort Bureaus Ordinance (Proposed Update)

The proposed changes will allow the city to clarify ordinance language and strengthen the integrity and professionalism of the industry.

### NEW!

The Scottsdale City Council will decide whether to adopt the ordinance update at its Tuesday, June 4, meeting. It begins at 5 p.m. in the City Hall Kiva, 3939 N. Drinkwater Blvd. You can access that evening's City Council agenda (which includes details about this item) on [this website](#) closer to the meeting date.

### HIGHLIGHTS OF THE PROPOSED CHANGES:

- Edited to eliminate inconsistencies and add clarity
- Complete overhaul, reorganization and updating from original ordinance of 1988
- Added findings of detrimental secondary effects from escort operations, including health risks and violent crimes
- Revised definitions, adding escort assistant, as a person who provides scheduling, driving, security and other services to escorts
- Eliminated the requirement that escorts work for a licensed escort bureau, to regulate escorts without an official business affiliation
- Added permit requirements for escort assistants to regulate persons who provide scheduling, driving, security and other services to escorts, without an official business affiliation
- Added the limitation that no permit or license can be issued to a person convicted of sexual misconduct with a child in the ten years before the permit or license application is filed
- Clarified and increased the limitation that no permit or license can be issued to a person convicted of prostitution in the ten years before the permit or license application is filed
- Expanded citizen and authorization to work requirements to all applicants, and all managers and controlling persons of applicants
- Provided for city forms for required record-keeping, to limit issues of incomplete records
- Raised some fees for permits and licenses, and specified fees for fingerprinting
- Added requirement to post City permit/license number on all escort advertising anticipated to attract business in the City.
- Expanded list of violations to address illegal sexual services provided by illegitimate escorts
- Added mandatory jail time for persons convicted of certain violations of the

### RELATED LINKS

ZONING ORDINANCE  
RESOURCES

ACCESSIBLE SCOTTSDALE - ADA  
RESOURCES

ARCHIVED CITY CLERK  
DOCUMENTS

BUSINESS LICENSES AND  
PERMITS

CODES & ORDINANCES

DESIGN, ENGINEERING AND  
PLANNING GUIDELINES

DOWNTOWN RESOURCES

ESL FACT SHEET

"HOW TO" GUIDES

MAG SUPPLEMENTS

PERMITS/ONE STOP SHOP

PROJECTS (ACTIVE AND  
PROPOSED)

### ADDITIONAL CODE RESOURCES

CITY CODE

INTERNATIONAL CODE COUNCIL

ICC EVALUATION SERVICE, INC

I-CODE ADOPTION MAP

OSHA

ordinance

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**ORDINANCES:**

[Current Ordinance](#)

[Proposed Ordinance](#) (pdf/280kb/9pp)

[Proposed Fee Schedule](#)

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**YOUR COMMENTS:**

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- Email: [Terry Hoglund](#), Tax & License Manager
- Call: 480-312-2463
- Write: City of Scottsdale, 7447 E. Indian School Road, Scottsdale, AZ 85251, ATTN: Terry Hoglund, Tax and License

If no major issues are noted, this ordinance will be presented to the City Council this spring.

Please check this website for updates.



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