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DEPARTMENT OF
POLICE

CITY OF SACRAMENTO
CALIFORNIA

HALL OF JUSTICE
813 SIXTH STREET
SACRAMENTO, CA
95814-2495

August 11, 1992

916-449-5121

JOHN P. KEARNS
CHIEF OF POLICE

Law and Legislation Committee
City Council
Sacramento, California

Honorable Members in Session:

**SUBJECT: FRATERNAL ORGANIZATION EXEMPTION FROM PROVISIONS OF CARD
ROOM ORDINANCE**

LOCATION AND COUNCIL DISTRICT: City

SUMMARY

Card rooms are currently governed by Chapter 5, Article I of the Sacramento City Code. This article outlines the licensing procedures and establishes the regulations which must be followed. These regulations include the three games which are allowed to be played within City limits as well as the number of tables which are allowed. Section 5.3-12 exempts fraternal organizations from the provisions of the ordinance, thereby allowing them to legally operate within city limits with no restrictions as to the size of the gaming operation nor the games played. Games such as Pai Gow and Texas Hold 'Em have been legalized in the Penal Code but are still prohibited by City Ordinance. The blanket exemption in Section 5.3-12 allows these card games in card rooms operated by fraternal organizations. It is recommended that the City Council enact the attached ordinance exempting fraternal organizations from the license, fee, and work permit provisions of Chapter 5, Article I, but still requiring them to comply with the regulations set forth in Section 5.3-11. The ordinance would also require fraternal organizations which operate card tables and their employees who are exempted from the work permit provisions to

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register with the police department so we are aware of and can monitor their gaming activities.

COMMITTEE/COMMISSION ACTION: None

STAFF RECOMMENDATION

It is recommended that the City Council enact the attached ordinance which:

1. Exempts fraternal organizations from the license, fee and work permit provisions required in Chapter 5, Article I.
2. Requires that fraternal organizations comply with the regulations set forth in Section 5.3-11.
3. Requires fraternal organizations which operate card tables and their employees who are exempted from the work permit provisions to register with the Police Department.

BACKGROUND INFORMATION

Article 5, Section I of the Sacramento City Code defines card rooms, outlines the licensing procedures and defines regulations which must be followed including the games which can be played. Section 5.3-12 exempts fraternal organizations from the provisions of the article, thereby allowing them to legally operate with no restrictions as to the size of the gaming operation nor the games played.

City Code Section 5.3-11 contains a list of regulations that card rooms are required to follow. Regulation 12 lists the three games - Draw Poker, LoBall, and Panguingui ("Pan") - which are allowed. The regulation then prohibits all other games, including those which are not prohibited by the Penal Code. As section 5.3-12 exempts fraternal organizations from the provisions of the article, these organizations would be allowed to operate card games which are otherwise prohibited within city limits.

Fraternal organizations should be governed by the same gaming laws and regulations as any other organization or group. The failure to impose equitable controls and conditions could result in fraternal organizations operating as gambling houses. The

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exempt status of fraternal organizations may be used as a pretense for organizations and/or individuals wishing to engage in illegal gambling activity.

FINANCIAL CONSIDERATIONS

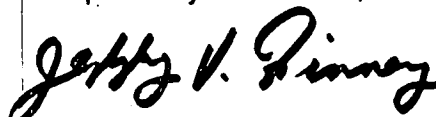
None

POLICY CONSIDERATIONS

Exempting fraternal organizations from the license, fee and work permit provisions of the card room ordinance while at the same time requiring them to comply with the card room regulations is consistent with the City's policy to limit the type of gaming activity which occurs within the City of Sacramento.

MBE/WBE EFFORTS: None

Respectfully submitted,



JERRY V. FINNEY
INTERIM CHIEF OF POLICE

RECOMMENDATION APPROVED:



DAVID MARTINEZ
DEPUTY CITY MANAGER

Contact Person:
Claudia Evans
Administrative Services Officer
264-7346

For Law and Legislation
Committee Meeting of:
August 25, 1992

Ref: 8-12

ORDINANCE NO.

ADOPTED BY THE SACRAMENTO CITY COUNCIL

ON DATE OF _____

AN ORDINANCE AMENDING SECTION 5.3-12 OF THE SACRAMENTO CITY CODE, RELATING TO CARDROOMS OPERATED BY FRATERNAL ORGANIZATIONS

BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Section 5.3-12 is hereby amended to read as follows:

§ 5.3-12 Exemptions

No cardroom permit or employee work permits shall be required for cardrooms of fraternal organizations not open to the general public and whose membership is restricted to those persons regularly and formally elected to membership therein and paying regular dues to such organizations; provided, however, that cardrooms and employees which do not require a permit hereunder shall register with the Chief of Police by completing a form requiring such information as the Chief deems necessary and shall be subject to the cardroom regulations set forth in Section 5.3-11.

DATE PASSED FOR PUBLICATION:

DATE ENACTED:

DATE EFFECTIVE:

MAYOR

ATTEST:

CITY CLERK

FOR CITY CLERK USE ONLY

ORDINANCE NO.: _____

DATE ADOPTED: _____

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BE IT ENACTED BY THE COUNCIL OF THE CITY OF SACRAMENTO:

SECTION 1.

Section 5.3-12 is hereby amended to read as follows:

§ 5.3-12 Exemptions

~~The provisions of this article shall not apply to~~ No cardroom permit or employee work permits shall be required for cardrooms of fraternal organizations not open to the general public and whose membership is restricted to those persons regularly and formally elected to membership therein and paying regular dues to such organizations; provided, however, that cardrooms and employees which do not require a permit hereunder shall register with the Chief of Police by completing a form requiring such information as the Chief deems necessary and shall be subject to the cardroom regulations set forth in Section 5.3-11.

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