

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF  
OCEANSIDE AMENDING CHAPTER EIGHT OF THE  
OCEANSIDE CITY CODE BY THE AMENDMENT OF  
VARIOUS PROVISIONS REGARDING THE OPERATION OF  
CARDROOMS

WHEREAS, Chapter 8 of the Oceanside City Code regulates cardroom operations within  
the CITY;

WHEREAS, the City Council desires to amend requirements as to wagering limits,  
maximum number of tables permitted, financial reporting, and other provisions related to the  
operation of cardrooms;

NOW, THEREFORE, the City Council of the City of Oceanside does ordain as follows:

SECTION 1. Chapter 8 of the Oceanside City Code is hereby amended as follows:

A. Section 8.1 ("Definitions") is amended by adding a definition of "wagering limit,"  
in alphabetical order, as follows: "*Wagering limit* has the same meaning as that term is used in  
Business & Professions Code sections 19801 & 19860."

B. Section 8.5 ("Annual and gross revenue fees") is amended to read as follows:  
"Sec. 8.5 Annual and gross revenue fees.

"For the privilege of holding a cardroom license, the license holder shall pay to the city  
an annual fee in the amount of two thousand dollars (\$2,000.00) per table. This annual fee shall  
be due and payable in monthly installments to be received no later than the fifteenth day of each  
month. There shall be no prorating of the fee.

"In addition to the annual table fee, the license holder shall pay to the city a monthly fee  
based on the total sum equal to four (4) percent of the license holder's gross revenues, which  
shall include revenue received by the license holder from per hand money collected, seat rental  
fees, tournament fees and any and all other revenues generated from card play, except fees  
charged to players that are returned to the players as tournament or jackpot bonuses. Each  
license holder shall file with the city's business license inspector no later than the fifteenth day  
of each month a statement showing the true and correct amount of gross revenue derived from  
the card game business held by such licensee for the preceding month. Such statement shall be

1 accompanied by the payment of the correct amount of gross revenue fee due and owing in  
2 accordance with the provisions herein. Such payment of fees shall be accepted by the city,  
3 subject, however, to the right of the city to audit the matters referred to in the statement and to  
4 determine the correctness of the figures set forth in such statement and the amount payable to  
5 the city pursuant to the provisions herein. In addition to the foregoing statement, a certification  
6 or declaration signed under penalty of perjury by the licensee or the licensee's management shall  
7 be attached to the statement, or included therein, which certification or declaration shall declare  
8 that the information provided is true and correct.

9 "In addition to the monthly statements the license holder is required to provide to the city  
10 pursuant to this section, the license holder shall file with the city's business license inspector no  
11 later than April 30th of each year a statement executed by a certified public accountant showing  
12 the true and correct amount of gross revenue derived from the card game business held by such  
13 licensee for the preceding year.

14 "Any failure or refusal of any such licensee to timely make and file any statements as  
15 required within the time required, or to timely pay any fee in accordance with the provisions of  
16 this chapter, or to permit such inspection of such books, records and accounts of such licensee  
17 shall be and constitute full and sufficient grounds for suspension and revocation of the license  
18 of any such licensee. Any such unpaid fee shall be a continuing debt owed to the city until paid.  
19 The city council shall review and may adjust cardroom gross revenue and table fees annually  
20 when the budget is adopted.

21 "Each licensee shall fully cooperate in any audit which the city may choose to conduct of  
22 the licensee's books, records and accounts for the purpose of verifying the completeness and  
23 accuracy of any statement, certification or declaration required by this section. Such audits shall  
24 be conducted annually and at such other times and using such persons as authorized by the city  
25 manager."

26 C. The last sentence of Subsection B ("Decision of City Council") of Section 8.7  
27 ("Granting and denial of application") is amended to substitute the words "fifty-six (56)" for the  
28 words "forty-five (45)."

1 D. The last sentence of Subsection A of Section 8.10 is amended to substitute the  
2 words “fifty-six (56)” for the words “forty-five (45).”

3 E. A new Section 8.13 is added (and the existing Section 8.13 and subsequent  
4 sections renumbered accordingly) as follows: “Sec. 8.13. Wagering limits. This Chapter does  
5 not impose a wagering limit at cardrooms or limit the amount of wagers on games at cardrooms  
6 pursuant to Business & Professions Code section 19860. Cardrooms may establish wagering  
7 limits, provided that the wagering limits are posted in accordance with Rule No. 20 of this  
8 Chapter.”

9 F. Sections 8.13 through 8.21, inclusive, are renumbered as Sections 8.14 through  
10 8.22, respectively.

11 G. Rule No. 11 of Section 8.13 (renumbered to Section 8.14) is amended to delete  
12 the following language: “A cardroom shall not permit the playing of pai gow and super pan  
13 nine on more than five (5) tables at any one time, including, but not limited to days of  
14 authorized special card game tournaments.”

15 H. Rule No. 18 of Section 8.13 (renumbered to Section 8.14) is amended to  
16 substitute the words “fifty-six (56)” for the words “forty-five (45).”

17 I. Rule No. 20 of Section 8.13 (renumbered to Section 8.14) is amended to delete  
18 the following language: “and collected prior to the playing of the hand.”

19 J. Subsection A of Section 8.14 (renumbered to Section 8.15) is amended to  
20 substitute the words “fifty-six (56)” for the words “forty-five (45).”

21 K. Subsection B of Section 8.14 (renumbered to Section 8.15) is amended to  
22 substitute the words “fifty-six (56)” for the words “forty-five (45).”

23 L. The language of Subsection C of Section 8.14 (renumbered to Section 8.15) is  
24 deleted, and Subsections D, E, F and G are relabeled Subsections C, D, E and F, respectively.

25 M. Subsection D.1 of Section 8.16 (renumbered to Subsection 8.17) is amended to  
26 add the words “if any,” as follows: “1. To allow to be wagered by any player any amount in  
27 excess of the posted wagering limit, if any, for the table at which the player is then playing,  
28 except as is specified in the players’ house rules;”

1 N. Subsection D.3 of Section 8.16 (renumbered to Subsection 8.17) is amended to  
2 add a second sentence, as follows: “(For purposes of this subsection a dealer shall not be  
3 considered to be on duty until he or she is placed into the dealer rotation.)”

4 SECTION 2. Severability.

5 If any section, sentence, clause or phrase of this Ordinance is for any reason held  
6 to be invalid or unconstitutional by a decision of any court of competent jurisdiction, such  
7 decision shall not affect the validity of the remaining portions of this Ordinance. The City  
8 Council hereby declares that it would have passed and adopted this Ordinance and each section,  
9 sentence, clause or phrase thereof, irrespective of the fact that any one or more sections,  
10 subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

11 SECTION 3. The City Clerk of the City of Oceanside is hereby directed to publish this  
12 ordinance, or the title hereof as a summary, pursuant to state statute, once within fifteen (15)  
13 days after its passage in the North County Times, a newspaper of general circulation published  
14 in the City of Oceanside.

15 SECTION 4. This ordinance shall take effect and be in force on the thirtieth (30<sup>th</sup>) day  
16 from and after its final passage.

17 INTRODUCED at a regular meeting of the City Council of the City of Oceanside,  
18 California, held on the \_\_\_ day of \_\_\_\_\_, 2007, and, thereafter,

19 PASSED AND ADOPTED at a regular meeting of the City Council of the City of  
20 Oceanside California, held on the \_\_\_ day of \_\_\_\_\_, 2007, by the following vote:

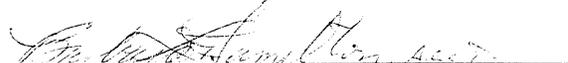
21 AYES:  
22 NAYS:  
23 ABSENT:  
24 ABSTAIN:

25 \_\_\_\_\_  
MAYOR OF THE CITY OF OCEANSIDE

26 ATTEST:

APPROVED AS TO FORM:

27 \_\_\_\_\_  
28 CITY CLERK

  
\_\_\_\_\_  
CITY ATTORNEY