

ORDINANCE NO. 1127

AN ORDINANCE AMENDING THE SOCIAL GAMING ORDINANCE AND REPEALING ORDINANCE NOS. 866, 867, AND 996

Section I - Definitions For the purpose of this Ordinance, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

(A) *GAMBLING*. Any contest, game, gaming scheme, or gaming device played for anything of value in which the outcome depends in material degree upon an element of chance, notwithstanding that skill of the contestants may also be a factor therein; except the term *gambling* shall not include social games.

(B) *SOCIAL GAMES*.

1. A game, other than a lottery, between players in a private home where no house player, house bank, or house odds exist, and there is no house income from the operation of the social game

2. Games, other than lottery, between payers in a private business, in a private club, or public accommodation where no house player, house bank, or house odds exist, and there is no income for the operation of the social game.

(C) *SOCIAL GAMING TABLE*. Any table used or intended to be used for the playing of social games only for up to ten players, not including a dealer who is not a player.

(D) *PERSONS FINANCIALLY INTERESTED*. Persons financially interested shall include all persons who share in the profits of the business where social games are played on the basis of gross or net revenue, including landlords, lessors, lessees, the representative of licensee, and the owner or owners of the building, fixtures, or equipment used in the social games.

(E) *TEXAS HOLDEM*. Texas Holdem is a seven-card poker card game. The players deal to each other and the deal passes between players. There may be a set betting on the first round of betting. The players are dealt two cards face down. After a round of betting, three community cards are turned face up in the middle of the social gaming table. There is then another round of betting. A fourth community card is turned up next to the three community cards. Another round of betting ensues. Finally, a fifth community card is turned up next to the other four community cards. A round of betting follows. Except for the maximum buy-in amount, there is no limit on the amount a player can bet at any time. Therefore, a player can bet all of his chips in any round of betting. Players may fold at any time during the game.

(F) *BUY-IN FEE*. In tournament-style Texas Holdem, all players who play in the tournament pay the same exact buy-in fee. The tournament winners split up the buy-in fee pursuant to terms agreed upon before the tournament begins. No other winnings or compensation to the players is permitted other than the buy-in fee. The total buy-in fee, including additional buy-in fees at any tournament shall not exceed \$100. The maximum buy-in fee may be changed by Resolution of the Prineville City Council.

(G) *REPRESENTATIVE OF LICENSEE* A designated person in each premises licensed under this Ordinance whose duties shall include supervision of any games played within the premises and see to it that they are played strictly in accordance with this Ordinance and within the provisions of the Oregon Revised Statutes. The representative of licensee shall be named on the license and any notices or other correspondence pursuant to this Ordinance shall be mailed or delivered to the premises to the attention of the representative of licensee.

Section II - Licensing of Premises.

(A) Application for Premise License.

1 No person who owns, manages, or operates a private business, private club, or place of public accommodation shall permit a social game between players at such place without first securing a premises license for such purpose from the City.

2. The cost of a premises license shall be \$175 annually, which cost shall hereafter be set by Resolution of the City Council. The license period shall run from July 1, through the next June 30. The license fee shall be due by June 30 for the next fiscal year. There shall be no prorations of the fee.

3. Application for a premises license shall include the following:

a. The true name, address, date of birth, social security number, Oregon driver's license number, or other acceptable identification of all persons financially interested in the business located on the premises.

b. The personal history and business experiences of such persons.

c. The past criminal record, if any, of all persons financially interested in the business.

d. The nonrefundable \$25 investigation fee, which shall hereafter be set by resolution of the City Council.

e. Fingerprints and photographs if requested by Prineville City Police of persons financially interested in the business.

f. The type or types of social games to be played and the number of social gaming tables to be used.

4. No license issued under this section shall be assignable or transferable. The addition or the substitution of a person financially interested in a licensed business shall be reported immediately to the City Manager, who shall order an investigation by the police department. The change shall be approved or denied by the Council. Applications for change in person financially interested in a licensed business shall be accompanied by the nonrefundable investigation fee for each individual added or substituted on the business license. In the case of the sale or other transfer of a business when no person associated with the prior business remains a person financially interested in the business a new premises license shall be applied for together with the non-refundable investigation fee and the premises license fee.

(B) Criteria for Grant or Denial of Application. A license shall not be granted, or if so, be revoked or suspended, if any applicant or any person financially interested in the business have:

1. Supplied any false or misleading information in the application or have omitted any information requested in the application or this Ordinance,
 2. Plead no contest or have been convicted of any felony within the last ten years;
 3. Had a license in his/her name revoked or suspended three times by the Oregon Liquor Control Commission, the last of which was within the last five years,
 4. Been convicted and is currently on parole for any crime involving or related to gambling;
 5. Had two or more convictions within five years for gambling-related activities;
- or
6. Violated any provision of this Ordinance.

Section III - Revocation of License

A license is subject to revocation at any time for violation of this Ordinance or any provisions of state law related to gambling if any person financially interested in the business has committed any act that would have denied the receipt of the initial license. If at any time facts arise or become known to the City Manager which are sufficient to show such violation, the City Manager shall notify the licensee in writing that the license is to be revoked and that all social gaming activities must cease within ten days. The violations need not lead to a conviction, but must establish by a preponderance of evidence about the "licensee's ability to perform the license activity without danger to property or public health or safety or violation of this Ordinance." The notice of revocation shall state the reasons for the revocation, set a period of not less than 30 days before social gaming activities can recommence and inform the licensee of procedures for filing an appeal.

Section IV - Suspension of License.

Upon determining that a person financially interested is in violation of any provisions of state law related to gambling or violation of this Ordinance, the City Manager may suspend the license for the social gaming activity. The suspension shall take effect immediately upon notice being received by the representative of the licensee, or being delivered to the licensee's business address as stated on the licensee's application for the license. Such notice shall state the reasons for the suspension and inform the licensee of the procedures for filing appeal. The City Manager may continue the suspension for as long as the reason for the suspension exists, or until a decision is made by the appellate authority on appeal regarding the suspension.

Section V - Appeals.

Upon decision of the City Manager, a final appeal regarding suspension or revocation of the license will be heard by the Prineville City Council. The licensee will have the opportunity to present its side to the Prineville City Council for final decision at an open public council meeting.

Section VI - Regulations.

(A) The City Council may limit the types of games played.

(B) Violation of the following acts is hereby unlawful:

1. There shall be a maximum of five social gaming tables at any premises licensed under this Ordinance.

2. The dealing of cards shall be offered to be rotated to all players in the game.

3. All premises shall be open to police inspection during all hours of operation. The premises license and a copy of this Ordinance must be displayed for public view at all times.

4. The playing of all card games shall be so arranged as to provide free access and visibility to any interested party. Doors leading into the premises must remain unlocked during all hours of operation.

5. No person under the age of 18 shall be permitted to participate in any card game or to enter or remain upon the premises.

6. Except for monies used for playing in a game, no charge shall be collected from any player for the privilege of participating in any game.

7. No signs or advertising of gambling, playing of cards, or advertising specific forms of card playing, enticing participants or procuring players shall be permitted. Signs visible from inside the building informing the public in which areas cards may be played will be allowed.

8. For any period beginning from 10 a.m. one day to 2 a.m. the next day, the total buy-in fee, including additional buy-in fees for all social games shall not exceed \$100. Except for the maximum buy-in fee, there is no limit on the amount a player can bet at any time. Each licensee is responsible to ensure that the buy-in fee limit is complied with.

9. No person financially interested shall participate in any social gaming, nor procure players, back, farm out, assign, or sublet any card games lawfully permitted under this subchapter on the premises in which the person financially interested has an interest or works.

10. No premises licensee shall permit persons who are visibly intoxicated to participate in gaming activities. The licensee shall supply the police department with the hours of operation of the establishment. The hours must be displayed in public view in the premises at all times.

11. No participant in a social game shall be charged a price for any consumer goods that is higher or lower than the businesses normal price.

12. No guns or firearms of any kind will be allowed on anyone's person at a gaming table, except as carried by official law enforcement officers.

13. No premises licensee shall permit any person to engage in unlawful gambling in or upon any licensed premises. The premises licensee shall regulate the times for the use of its premises.

14. There shall be no social games allowed in a private business, in a private club, or a public accommodation between 2 a.m. and 10 a.m. of any day.

15. All social gaming transactions shall be in cash, checks, debit or credit cards, as allowed by the premises licensee.

(C) Premise licensee shall have the responsibility to ensure that the game is a social game, between players only, and that there are no persons dealing on a regular basis and that there is no one engaging in the game as a business or commercial enterprise.

Section VII – Administration and Enforcement

The City and its law enforcement agencies shall have, in addition to any other powers that may be conferred by statute, ordinance or otherwise, the right to inspect and examine, in connection with social games, all premises, equipment and supplies, in, upon, or about the premises where social games are played. In the course of exercising their duties under this section, they may summarily seize and remove from the premises and impound any gaming equipment or supplies for the purposes of examination and inspection of the gaming equipment and supplies.

Section VIII - Texas Holdem Poker Card Tournaments

(A) Any person, business, private club, non-profit organization, or place of public accommodation desiring to permit patrons or invitees to engage in Texas Holdem poker card tournaments within the City of Prineville and any tournament organizer shall acquire and maintain a valid license from the City. Licenses shall be granted only upon application to the City and upon approval of the City Manager or designee. Licenses shall be renewed annually, not later than June 30 of each year; provided further, there shall be no prorating of any license fee for license applications made at other times throughout the year.

(B) Applications and the standards for granting the applications for Texas Holdem poker card tournaments shall be the same as Section II (A) 3., above. In addition to persons financially interested, all tournament sponsors must provide the information as set out in Section II (A) 3., above.

(C) There shall be no limit on the number of social gaming tables. Advertising for Texas Holdem tournaments is acceptable, but such advertisement shall not use the term “gambling.” Except when inconsistent with this Section VIII, all regulations in Section VI above are applicable to Texas Holdem tournaments.

(D) The Texas Holdem tournament license allows the holder of the license to have not more than 12 tournament prior to the next June 30.

(E) The licensee is required to notify the Prineville Police Department of tournament dates by written notification at least one month prior to each tournament date.

Section IX – Severability

Upon findings by any court of competent jurisdiction that any portion of this Ordinance is unconstitutional or invalid shall not invalidate any other provision or the remaining provisions of this Ordinance.

Section X -Penalties

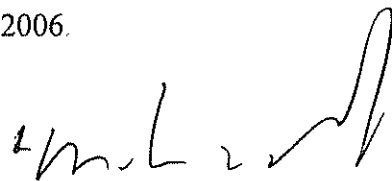
In addition to the suspension or revocation of any license issued under this Ordinance, persons financially interested, representatives of licensee, any licensee, tournament sponsor, firm, corporation, business, association, or person(s) associated with the licensee who violates any provision of this Ordinance, may upon conviction, be fined in the amount not to exceed \$500 for each violation.

Section XI – Repeal

Ordinance numbers 866, 867, and 996 are hereby repealed.

Approved by the City Council this 22nd day of August, 2006.

Signed by the Mayor this 22nd day of August, 2006.



Mike Wendel, Mayor

ATTEST:



Robb Corbett, City Manager/Recorder