



**CITY OF HAYWARD**  
**AGENDA REPORT**

AGENDA DATE 05/11/99  
AGENDA ITEM 6  
WORK SESSION ITEM \_\_\_\_\_

**TO:** Mayor and City Council  
**FROM:** Chief of Police  
**SUBJECT:** Modification to the Hayward Municipal Code Pertaining to Card Club Regulations

**RECOMMENDATION:**

It is recommended that Council amend Section 4, Article 3 of the Hayward Municipal Code to Comply with the new State Gambling Control Act.

**BACKGROUND:**

The new Gambling Control Act became effective on January 1, 1998. According to the Act, everyone who owns a gambling establishment must obtain a state gambling license from the Department of Justice, Division of Gambling Control (DGC). The DGC is requiring owners to apply for a state gambling license effective July 1, 1998, and local ordinances must comply with the Act before a state license will be issued.

To comply with the Act our ordinance needs to be modified as the following:

**Section 4-3.14.1 COMPLIANCE WITH STATE GAMBLING CONTROL ACT:** A permit shall not be issued to any person who would be disqualified based on any of the applicable licensing criteria set forth in California Business and Professions Code, Section 19850, or has been objected to in writing by the Division of Gambling Control of the State Department of Justice. Such criteria includes:

- Failure of the applicant to clearly establish eligibility and qualification.
- Failure of the applicant to provide information, documentation and assurances required.
- Convicted of a felony, including conviction by a federal court or a court in another state for a crime that would constitute a felony in California.
- Conviction of the applicant for any misdemeanor involving dishonesty or moral turpitude within a 10-year period proceeding submission of the application.
- Association with a criminal profiteering activity or organized crime.
- Contumacious defiance by the applicant of any legislative investigatory body, or other official investigatory body of any state or of the United States, when that body is engaged in the investigation of crimes relating to gambling.
- The applicant is less than 21 years of age.

**CONCLUSION:**

The purpose of this revision is to assure that the City of Hayward's Municipal Code is in compliance with guidelines from the State of California, Department of Justice. This modification places the City of Hayward in compliance with sections 19910.5 and 1906.3 of the Business and Professions Code, which regulates work permits.

Prepared by:

  
Manuel Silva, Investigation Captain

Recommended by:

  
Craig Calhoun, Chief of Police

Approved by:

  
Jesús Armas, City Manager

Attachment: Draft Ordinance

**DRAFT**

5/6/99  
R

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

AN ORDINANCE AMENDING SECTION 4, ARTICLE 3 OF  
THE CARD CLUB REGULATIONS OF THE CITY OF  
HAYWARD TO COMPLY WITH CHANGES IN STATE LAW

THE CITY COUNCIL OF THE CITY OF HAYWARD DOES ORDAIN AS FOLLOWS:

Section 1. Section 4-3.14.1 of the Hayward Municipal Code is hereby added to read in full as follows:

"SEC. 4-3.14.1 COMPLIANCE WITH STATE GAMBLING CONTROL ACT. A permit shall not be issued to any person who would be disqualified based on any of the applicable licensing criteria set forth in California Business and Professions Code, Section 19850, or has been objected to in writing by the Division of Gambling Control of the State Department of Justice. Such criteria includes:

- (a) Failure of the applicant to clearly establish eligibility and qualification.
- (b) Failure of the applicant to provide information, documentation and assurances required.
- (c) Convicted of a felony, including conviction by a federal court or a court in another state for crime that would constitute a felony.
- (d) Conviction of the applicant for any misdemeanor involving dishonesty or moral turpitude within a 10-year period proceeding submission of the application.
- (e) Association with a criminal profiteering activity or organized crime.
- (f) Contumacious defiance by the applicant of any legislative investigatory body, or other official investigatory body of any state or of the United States, when that body is engaged in the investigation of crimes relating to gambling.
- (g) The applicant is less than 21 years of age.

INTRODUCED at a regular meeting of the City Council of the City of Hayward, held the \_\_\_\_ day of \_\_\_\_\_, 1999, by Council member\_\_\_\_\_ .

ADOPTED at a regular meeting of the City Council of the City of Hayward held the \_\_\_\_ day of \_\_\_\_\_, 1999, by the following votes of members of said City Council.

AYES:

NOES:

ABSTAIN:

ABSENT:

APPROVED: \_\_\_\_\_  
Mayor of the City of Hayward

DATE: \_\_\_\_\_

ATTEST: \_\_\_\_\_  
City Clerk of the City of Hayward

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney of the City of Hayward