



BUREAU OF GAMBLING CONTROL 2450 DEL PASO ROAD, SUITE 100 SACRAMENTO, CA 95834

January 21, 2025

Via e-mail only

Jay Kapoor
Deputy City Manager
City of Stockton
N. El Dorado Street
Stockton, CA 95202
Jay.Kapoor@stocktonca.gov

Re: <u>City of Stockton – Ordinance Amendments</u>

Dear Mr. Kapoor:

On January 2, 2025, the Department of Justice (Department), Bureau of Gambling Control (Bureau) received your email regarding the City of Stockton's (City) proposed amendments to its Municipal Code. These proposed amendments were submitted to the Bureau for review in compliance with Business and Professions Code section 19961.1, and for the Bureau to evaluate the proposed amendments to the City's Municipal Code in light of the restrictions and limitations contained in the Gambling Control Act (Act).

The City proposes amending section 5.32.080 of the Municipal Code, which governs, among other things, the number of tables allowed within a gambling establishment.¹ Specifically, the City proposes amending section 5.32.080 to provide for increases to the number of tables allowed within a gambling establishment consistent with Business and Professions Code section 19961.07.² The Bureau offers the following comments.

¹ Section 5.32.010 of the Municipal Code provides the definition of a "card room," which the Bureau acknowledges is synonymous with the definition of "gambling establishment" under the Act. (See Bus. & Prof. Code, § 19805, subd. (o).)

² In November 2024, the City submitted proposed amendments to section 5.32.080 of the Municipal Code, and the Bureau provided its comments to the City on those proposed amendments in a letter dated November 22, 2024.

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1. Section 5.32.080 – Limitation on number of licenses and number of tables.

Section 5.32.080³ currently specifies, among other things, the maximum number of tables that may be allowed in a card room, and currently sets a limit of 11 tables. The City proposes amending section 5.32.080 to allow for increases to the card room table limit pursuant to Business and Professions Code section 19961.07. The proposed amendments would remove reference to the current table limit of 11 tables, and would instead set a table limit, and allow subsequent table limit increases, as follows:

- (1) upon passage of the ordinance, the number of tables allowed within a gambling establishment shall be increased by 2 above the number of tables operated in a card room on January 1, 2023, for a maximum of 13 tables allowed within a card room;
- (2) on or after January 1, 2029, a card room may operate an additional two tables above that operated on December 31, 2028, with no more than 15 tables allowed within a card room;
- (3) on or after January 1, 2033, a card room may operate an additional two tables above that operated on December 31, 2032, with no more than 17 tables allowed within a card room;
- (4) on or after January 1, 2037, a card room may operate an additional two tables above that operated on December 31, 2036, with no more than 19 tables allowed within a card room; and,
- (5) on or after January 1, 2041, a card room may operate an additional two tables above that operated on December 31, 2040, with no more than 21 tables allowed within a card room.

The proposed amendments also provide that no more than two additional tables shall be authorized for each licensed cardroom for each increase allowed, and that the cumulative total increase shall not exceed ten additional tables above the number of tables operated in each licensed card room on January 1, 2023.

The proposed amendments appear to be compliant with the Act, and address the concerns that the Bureau raised in its November 22, 2024 comment letter. If further amendments are forthcoming, please provide the Bureau with those amendments prior to adoption as provided by Business and Professions Code section 19961.1.

While the Bureau is required to review and comment upon proposed ordinance amendments, nothing contained herein shall be construed to authorize the operation of a

³ Section references are to the City's Municipal Code unless otherwise indicated.

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gambling establishment in any manner that is inconsistent with the Act or any other applicable provision of law.

If you have any questions, or wish to submit further revisions to these ordinances, please contact Analyst Kenneth Larsen at (916) 559-6103, or by email at kenneth.larsen@doj.ca.gov. Thank you for your cooperation regarding this matter.

Sincerely,

Brent Y. Jo Digitally signed by Brent Y. Jo Date: 2025.01.21

BRENT Y. JO Deputy Attorney General

For ROB BONTA Attorney General