

ORDINANCE NUMBER 177

AN ORDINANCE RELATING TO LAWFUL GAMBLING-PULL TABS- IN THE CITY OF CARLTON

The City Council of the City of Carlton does ordain as follows:

**SECTION 1.           PULL-TABS.**

Subdivision 1.       **Scope.**       This article shall regulate all pull-tab games operated pursuant to Minnesota Statutes Chapter 349.

Subdivision 2.       **State Regulations Adopted.** Chapter 7861 of Minnesota rules is hereby incorporated by reference into this section, provided that nothing in said rules shall be deemed to amend or change any provision of the City of Carlton Ordinances. No person shall violate any provision of Chapter 7861 of Minnesota rules or any amendments thereto.

Subdivision 3.       **Age Restrictions.**

- (a) No person under the age of eighteen (18) may conduct or participate in the playing of the game of pull-tabs.
- (b) No person shall sell pull-tabs to any person under the age of eighteen (18).
- (c) Proof of age for purchasing pull-tabs may be established only by a valid driver's license or Minnesota identification card or in the case of a foreign national by a valid passport.

Subdivision 4.       **Sale of Pull-Tabs.**

- (a) In the playing of pull-tabs, no person shall sell or purchase pull-tabs except on a cash basis. Checks and Credit cards and all other forms of consideration shall not be allowed.
- (b) A seller may refuse to sell pull-tabs to any person if the seller believes such sale would be in violation of any law or regulation.
- (c) The seller shall hand the pull-tabs that are purchased to the player. A player shall never be allowed to reach into the container to select pull-tabs.
- (d) Under no circumstance shall a seller assist a player in the opening of pull-tabs.
- (e) No person shall evade or circumvent or attempt to evade or circumvent any of the provisions of this article, or of any State law or regulation, by having someone else purchase pull-tabs for such person.
- (f) No seller or other gambling employee of the organization operating the gambling shall either orally, in writing or otherwise provide any information to any other person about total number of winners played or the number or denominations of winners left in the container, except that the seller may post publicly in clear legible type the number of winners played and the number of winners left in the container.
- (g) No single deal of pull-tabs which had been taken out of play shall thereafter be returned to play.
- (h) In licensed liquor establishments, sale of pull-tabs must cease at least fifteen (15) minutes before sales of alcoholic beverages are required by law to cease.

**SECTION 2. Expenditures and Profits from Pull-tabs.**

**Subdivision 1. Required Expenditures.** A licensed Organization conducting lawful gambling within the City limits of the City of Carlton must expend 75% of all of its quarterly expenditures of gross profits for lawful purposes on lawful purposes conducted or located within the City of Carlton's trade area.

**Subdivision 2. "Trade Area Defined."** For the purposes of this Ordinance the City of Carlton's trade area shall be defined as the legal City limits of the City of Carlton, the legal City limits of the City of Thomson and the legal limits of the Township of Twin Lakes.

**Subdivision 3. Required Donation.** Ten percent (10%) of the net profits from the operation of the gambling equipment in the City of Carlton by charitable organizations shall be donated to the City of Carlton in accordance with City Ordinance #168. The donations from monthly profits from each licensee shall be made in a check payable to the City of Carlton and delivered to the City Administrator on or before the last day of the following month. This donation shall be included in the computation of the 75% required expenditures under Subdivision 1, Section 2 of this ordinance.

**Subdivision 4. Records and Reports.** All qualified organizations operating gambling equipment in the City of Carlton shall keep monthly financial records of gambling proceeds and disbursements in the defined trade area and shall submit copies of same to the City Administrator monthly.

**Subdivision 5. Donation Effective Date.** The provisions of this Ordinance shall take effect for all proceeds from gambling equipment beginning with the month of January 2005.

**SECTION 3. RENT LIMITATIONS FOR LEASED PREMISES.**

**Subdivision 1. Leased Premises.** "Leased Premises" means a building or place of business, or a portion of a building or place of business not owned by a gambling organization, that is leased in its entirety by a gambling organization for the use by the organization and its members, which use may include lawful gambling.

**Subdivision 2. Annual Rentals.** No licensed gambling organization may pay an annual rental to the lessor of leased premises in excess of the State of Minnesota rules and regulations establishing fair rentals for such leased premises.

**SECTION 4. GENERAL PROVISION.**

**Subdivision 1. Background Information.** A copy of all applications and reports required by and submitted to the Minnesota Gambling Control Board shall also be submitted to the City Administrator of the City of Carlton within seven (7) days after they are submitted to said Board.

**Subdivision 2. Filing of Lease Agreement.** Any organization requesting a license for charitable gambling shall file with the City Administrator of the City of Carlton a copy of its signed lease agreement prior to or at the same time as filing its request for a gambling license with the State of Minnesota.

**Subdivision 3. Limitation of Gambling Licenses.** No organization shall be permitted to conduct gambling in more than two (2) establishments within the City of Carlton.

