

**City Attorney's Impartial Analysis**

This initiative ordinance, if approved by a majority of the voters, would amend two sections of the San José Municipal Code (the "Code") related to voter approval of the expansion of cardroom gambling in the City. The Code requires voter approval prior to the City Council taking action to expand cardroom gambling as defined in the Code.

The proposed ordinance would amend Section 16.04.020 to increase the maximum number of card tables in the City. Currently there are two permitted cardrooms that are each allowed to have 49 card tables. The proposed ordinance would increase the maximum number of card tables in the City from 98 to 128 as of January 1, 2013 and from 128 to 158 as of January 1, 2014. After January 1, 2014, a maximum of 79 card tables would be allowed at any one cardroom, unless otherwise authorized by a vote of the people. The Code currently requires a cardroom seeking to increase its permitted number of card tables to apply for and obtain a cardroom permit amendment issued by the Chief of Police. The proposed ordinance does not change this requirement.

Section 16.04.030 currently prohibits the use of slot machines and gambling devices without a vote of the people, regardless of whether they are legal or not under State law. The proposed ordinance would allow, without additional voter approval, slot machines or gambling devices in the event these devices become legal in California.

Section 16.04.030 currently requires voter approval for any form of gambling which was not allowed under the Code on or before June 30, 1996, or which is prohibited under State gambling law on or before June 30, 1996. The proposed ordinance would amend this provision to allow cardrooms to offer any form of gambling that is lawful in the State of California after July 1, 2012 without additional voter approval.

The proposed ordinance also amends Section 16.04.030 to state that the "City would be required to review the rules for additional permissible gambling." The Code provides a procedure for approving any game that is not on the City's permissible game list. The proposed ordinance does not change this procedure.

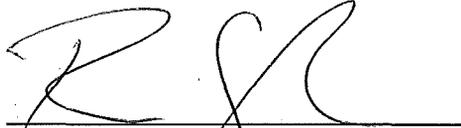
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City of San José Measure E – November 6, 2012 Election

A “yes” vote is a vote to expand the number of card tables and the forms of cardroom gambling allowed in San José without further voter approval.

A “no” vote is a vote not to expand the number of card tables and the forms of cardroom gambling allowed in San José.

The above statement is an impartial analysis of Measure E. If you would like to read the full text of the measure, see [www.sanjoseca.gov/clerk/elections/Election.asp](http://www.sanjoseca.gov/clerk/elections/Election.asp) or call 408-535-1260 and a copy will be sent at no cost to you.



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