

**CITY OF NEWPORT  
ORDINANCE 2016-3**

AN ORDINANCE OF THE CITY OF NEWPORT, MINNESOTA, AMENDING ITS CITY CODE BY DELETING CURRENT LANGUAGE RELATED TO LAWFUL GAMBLING IN THE CITY AND SUBSTITUTING THEREFORE FOR A NEW SECTION 450.

**WHEREAS**, the City of Newport, Minnesota, acting through its City Council, has determined that it is necessary to substantially update the provisions of Section 450 of the City Code related to the regulation of lawful gambling in the City as authorized under Minnesota Statutes Section 349.213.

**IT IS HEREBY ORDAINED:**

That Section 450 of the Newport City Code is hereby **REPEALED** and in its place is substituted the following:

**Section 450 - Gambling**

**450.01. Statement of Policy.** The City of Newport deems it desirable to regulate lawful gambling within its jurisdiction as authorized by Minnesota Statutes, Section 349.213. The City finds that, for the purposes of greater supervision and access of information, a more restrictive requirement for the location of licensed organizations to those located within the City is in the interest of the health and safety of the citizens of the City of Newport

**450.02 Definitions.** The definitions in Minnesota State Statutes Chapter 349 are adopted by reference in this chapter. Licensed organizations in the City of Newport may be permitted to conduct lawful gambling or use any gambling device allowable by Chapter 349.

**Subd. 1. Licensed Organizations.** In order to be eligible for a premises permit, an organization must meet the following requirements:

- A. The activities of the organization directly or primarily benefit the citizen of Newport.
- B. One-third of the organization's members reside in the City of Newport or immediate trade area. The organization must file a list containing the names and addresses of all current members with each new application for a premises permit; and annually thereafter with the city clerk; or the organization must have had a principal business or operations location in the City of Newport for a continuous period of at least one year immediately preceding the permit request and must maintain such a location to conduct business as long as the organization operates lawful gambling activities in the city. Organizations that meet one of these conditions shall be considered a qualifying organization.

**450.03 Regulations**

**Subd. 1.** Licensed organizations conducting lawful gambling within the City of Newport shall expend fifty percent (50%) of its expenditures for lawful purposes conducted or located within the City of Newport trade area. The Newport trade area is limited to the City of Newport and each city contiguous to the City of Newport.

**Subd. 2.** Licensed organizations conducting lawful gambling within the City of Newport must file a copy of monthly gambling board financial reports to the Newport City Administrator.

**Subd. 3.** Licensed organizations conducting lawful gambling within the City of Newport in an establishment licensed under the City's intoxicating liquor licensure provisions may sell pull-tabs from a booth used solely by the licensed lawful gambling organization, or conduct such other forms of lawful gambling with lawful

gambling devices as may be permitted by state law and authorized by the City. Lawful gambling shall neither be conducted by employees of the liquor establishment or conducted from the bar area.

**Subd. 4.** Licensed organizations conducting lawful gambling in the City of Newport shall be responsible for booths and other equipment used in lawful gambling.

**Subd. 5.** Licensed organizations conducting lawful gambling within the City of Newport shall pay to the City an amount equal to 10% of all receipts from said gambling which shall be deposited by the City into a separate account to be expended for public purposes within the City as authorized under State law.

**450.04 State License Exemptions - City Permit Required.**

**Subd. 1.** Lawful gambling exempt from a license under Minnesota Statute, section 349.166, shall require a City permit. Application for a permit shall be made to the City Clerk with payment of the specified fee in Chapter 11 of the City Code.

**Subd. 2.** To qualify for a City permit an organization must be in existence for at least three years and have at least 15 active members.

**450.05 Severability.** Every section, provision or part of this Chapter is declared separable from every other section, provision or part to the extent that if any section, provision, or part of this Chapter shall be held invalid, such holding shall not invade any other section, provision or part thereof.

**450.06 Penalties.** Any violation of this Chapter is a misdemeanor.

The foregoing Ordinance was moved by Councilmember Geraghty and seconded by Councilmember Ingemann.

The following Councilmembers voted in the affirmative: Geraghty, Ingemann, Sumner, Rohm

The following Councilmembers voted in the negative:

**Effective Date**

This Ordinance becomes effective upon its passage and publication according to law.

Adopted by the City Council of the City of Newport, Minnesota on the 18th day of February, 2016.

Signed: Tim Geraghty  
Tim Geraghty, Mayor

Attest: Deb Hill  
Deb Hill, City Administrator