

CHAPTER 13 A SYSTEM FOR THE LICENSING OF ORGANIZATIONS TO OPERATE RAFFLES

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3-13-1: DEFINITIONS:

Whenever used in this Ordinance, the following words shall have the meanings hereafter ascribed to them:

1. Non-profit: An organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of the operation. The term non-profit shall include the Village of Glendale Heights, other units of local government, political committees. (ord2004-66, 9/2/04)
2. Charitable: An organization or institution organized and operated to benefit an indefinite number of the public. The service rendered to those eligible for benefits must also confer some benefit on the public.
3. Educational: An organization or institution organized and operated to provide systematic instruction in useful branches of learning by methods common to schools and institutions of learning which compare favorably in their scope and intensity with the course of study presented in tax-supported schools.

- 4 Religious: Any church, congregation, society or organization founded for the purpose of religious worship.
- 5 Fraternal: An organization of persons having a common interest, the primary interest of which is to both promote the welfare of its members and to provide assistance to the general public in such a way as to lessen the burdens of government by caring for those that otherwise would be cared for by the government.
- 6 Veterans: An organization or association comprised of members of which substantially all are individuals who are veterans or spouses, widows, or widowers of veterans, the primary purpose of which is to promote the welfare of its members and to provide assistance to the general public in such a way as to confer a public benefit.
- 7 Labor: An organization composed of workers organized with the objective of betterment of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their respective operations.
- 8 Business: A voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial and civic interests of a community. (Ord. 89-18, 4-6-89)
- 9 Political Committee: An organization composed of individuals who act on behalf of or in opposition to a political candidate or candidates as more fully defined by Section 519-1.9 of the Illinois Election Code (10 ILCS 5/9-1.9). (Ord.2007-90, 9/20/07)
- 10 Raffle: A form of lottery, as defined in Section 28-2(b) of the Criminal Code of 1961 (Ill. Rev. Stat., 1979, Chapter 38, Section 28-2), conducted by an organization licensed under this Ordinance in which:
 - A. The player pays or agrees to pay something of value for a chance, represented and differentiated by a number or by a combination of numbers or by some other medium, one or more of which chances is to be designated the winning chance;
 - B. The winning chance is to be determined through a drawing or by some other method based on an element of chance by an act or set of acts on the part of persons conducting or connected with the lottery, except that the winning chance shall not be determined by the outcome of a publicly exhibited sporting contest.
- 11 Net Proceeds: The gross receipts from the conduct of raffles, less reasonable sums expended for prizes, local license fees and other reasonable operating expenses incurred as a result of operating a raffle.

3-13-2: LICENSE REQUIRED:

No person, firm or corporation shall conduct a raffle without first having obtained a license pursuant to this Ordinance.

3-13-3: AUTHORITY FOR ISSUANCE:

The Village Administrator, or his or her designee(s), shall have the authority to issue licenses for raffles subject to the limitations set forth in Section 4 hereof.

3-13-4: LICENSES:

Licenses for raffles shall be issued only to bona fide non-profit charitable, education, religious, fraternal, veterans, labor, and business organizations, or political committees which have been in existence continuously for a period of five (5) years immediately before making application for a license, and have had during that entire five (5) year period a bona fide membership engaged in carrying out its objectives, or to a non-profit fundraising organization that the Village determines is organized for the sole purpose of providing financial assistance to an identified individual or group of individuals suffering extreme hardship as the result of an illness, disability, accident or disaster. A license issued by the Village shall authorize the sale of raffle chances only within the boundaries of the Village. The Village Administrator, or his or her designee(s), shall act on a license application within thirty (30) days from the date of application. (Ord. 2007-90, 9-20-07)

3-13-5: APPLICATION FOR LICENSE:

Application for a license shall be made in writing and generally speaking must be made no fewer than thirty (30) days before the intended sale of raffle chances on forms provided by the Village.

Applications for licenses that are less than thirty (30) days before the intended sale of raffle chances may be made upon a showing of good cause, and submittal of a written request for a waiver form provided by the Village. The Village Administrator maintains exclusive authority to grant such waivers and issue said licenses.

Each license and application for license shall contain the following information:

- 1 The name and address of the applicant;
- 2 The location within the Village in which the raffle chances will be sold and issued;

3. The area within the location in which the raffle chances will be sold and issued;
4. The time period or periods during which raffle chances will be sold or issued;
5. The date(s), time(s), manner and locations of determining the winning chances;
6. A sworn statement attesting to the non-profit character of the applicant signed by its presiding officer and secretary;
7. A copy of the applicant's Articles of Incorporation and/or Charter; and
8. Such other information as the Village may require.

Licenses issued pursuant to this Ordinance shall be valid for one raffle or for a specified number of raffles to be conducted during a specified period, not to exceed one year. Licenses may be suspended or revoked by the Village Administrator for any violation of this Chapter.
(Ord. 2007-90, 9-20-07)

3-13-6: LICENSE CLASSIFICATION:

Each raffle must be authorized by a license issued pursuant to Section 3-13-5, and must be conducted in accordance with Sections 3-13-7 through 3-13-13, inclusive.

The classification for each license shall be as set forth in the following schedule:

1. Class A: Where the aggregate value of all prizes awarded in any raffle does not exceed Five Hundred Dollars (\$500.00).
2. Class B: Where the aggregate value of all prizes awarded in any raffle is greater than Five Hundred Dollars (\$500.00) but does not exceed Five Thousand Dollars (\$5,000.00).
3. Class C: Where the aggregate value of all prizes awarded in any raffle is greater than Five Thousand Dollars (\$5,000.00) but does not exceed Fifty Thousand Dollars (\$50,000.00).
4. Class D: Where the aggregate value of all prizes awarded in any raffle is greater than Fifty Thousand Dollars (\$50,000.00).

No fee shall be required for issuance of a license under this Chapter. (Ord. 2007-90, 9-20-07)

3-13-7: RESTRICTIONS ON LICENSEES:

No raffle license shall be issued to:

1. Any person who has been convicted of a felony;
2. Any person who is or has been a professional gambler or gambling promoter;
3. Any person who is not of good moral character;
4. Any firm or corporation in which a person defined in 1, 2 or 3 has a proprietary, equitable or credit interest, or in which such person is active or employed;
5. Any organization in which a person defined in 1, 2 or 3 is an officer, director or employee, whether compensation or not;
6. Any organization in which a person defined in 1, 2 or 3 is to participate in the management or operation of a raffle as defined in this Ordinance.

3-13-8: CONDUCT OF RAFFLES:

The conducting of raffles in the Village of Glendale Heights is subject to the following:

1. The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the organization permitted to conduct that game.
2. No person except a bona fide member of the sponsoring organization may participate in the management or operation of the raffle.
3. No person may receive any remuneration or profit for participating in the management or operation of the raffle.
4. The maximum fee which may be charged for each raffle chance sold or issued shall not exceed One Hundred Dollars (\$100.00). All such fees shall be paid in currency or by check.
5. A licensee may rent a premises on which to determine the winning chance or chances in a raffle only from an organization or committee which is also licensed under this Chapter.
6. Raffle chances may be sold or issued only within the area specified on the license, and winning chances may be determined only at those locations specified on the license.
7. No person under the age of eighteen (18) years may participate in the conducting of raffles or chances. A person under the age of eighteen (18) years may be within the area where winning chances are being determined only when accompanied by his parent or guardian.

3-13-9: MANAGER, BOND:

All operation of and the conduct of raffles shall be under the supervision of a single raffles manager designated by the organization. The manager shall give a fidelity bond in the sum of an amount determined by the Village of Glendale Heights in favor of the organization conditioned upon his honesty in the performance of his duties. Terms of the bond shall provide that notice shall be given in writing to the Village of Glendale Heights not less than thirty (30) days prior to its cancellation. The Village Administrator, or his or her designee(s), may waive this bond requirement by including a waiver provision in the license, provided that a request for such waiver has been made by unanimous vote of the members of the licensed organization and proof of said vote is provided to the Village. (Ord. 2007-90, 9-20-07)

3-13-10: RAFFLE TICKETS:

Each raffle ticket, chance or other raffle token shall state on its face the name and address of the licensee, the date or dates of the drawings and the prize or prizes to be awarded; provided, however, that this requirement shall not apply to any raffle in which prizes in aggregate value under Fifty Dollars (\$50.00) are awarded, or to any raffle in which raffle chances are sold only on the date of the drawing during the event at which the drawing is to be conducted. No such ticket, chance or token shall be sold or issued more than two-hundred-forty (240) days before the determination of the winning chance or chances.

If any raffle for which a license is issued under this Ordinance is cancelled, or if any such raffle is not conducted on the date contained in the application for license, the licensee shall refund all money paid for any raffle chances issued or sold to the persons to whom such raffle chances were issued or sold within forty-five (45) days after the date on which the raffle was to be conducted or within forty-five (45) days after cancellation of the raffle, whichever is sooner.

3-13-11: PRIZES:

The maximum cash prize awarded in any raffle shall be One Hundred Thousand Dollars (\$100,000.00); the maximum retail value of a non-cash prize awarded in any raffle shall be One Hundred Thousand Dollars (\$100,000.00). The aggregate value of all prizes awarded in any raffle shall not exceed Two Hundred Thousand Dollars (\$200,000.00).

3-13-12: RECORDS:

1 Each organization licensed to conduct raffles and chances shall keep records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning chances are determined. All deductions from gross receipts for each single gathering or occasion

shall be documented with receipts or other records indicating the amount, a description of the purchased item or service or other reason for the deduction and the recipient. The distribution of net proceeds shall be itemized as to the payee, amount and date of payment.

2. Gross receipts from the operation of raffle programs shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are also conducted by the same non-profit organization pursuant to license therefore issued by the Department of Revenue of the State of Illinois and placed in a separate account. Each organization shall have separate records of its raffles. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles shall not be the same person who accounts for other revenues of the organization.

3. Each organization licensed to conduct raffles shall report monthly to its membership and the Village of Glendale Heights its gross receipts, expenses and net proceeds from raffles and the distribution of net proceeds itemized as required in this Section. Such reports shall be filed in writing with the Village on the fifteenth (15th) day of the month following the conclusion of the individual raffle. Subsequent raffles or requests for raffle licenses may be denied by the Village Administrator should the raffle holder fail to file this report. (Ord. 2007-90, 9-20-07)

4. Records required by this Section shall be preserved for three (3) years, and organizations shall make available their records relating to operation of raffles for public inspection at reasonable times and places.

3-13-13: REGULATIONS:

The Village Administrator, or his or her designee(s), may publish rules and regulations consistent with this Chapter or Illinois law governing the conduct of raffles licensed hereunder.

3-13-14: AUXILIARY OR AFFILIATES:

Whenever used in this Ordinance, the word "organization" shall include an auxiliary or affiliate of a licensee.

3-13-15: PENALTY:

Any person, firm or corporation found guilty of violating any provision of this Ordinance shall be punished by a fine not to exceed Five Hundred Dollars (\$500.00) and/or imprisonment for a period not to exceed thirty (30) days. (Ord. 89-18, 4-6-89)

3-13-16: CONSTRUCTION:

Nothing in this Ordinance shall be construed to authorize the conducting or operating of any gambling scheme, enterprise, activity or device other than a raffle provided for herein.

3-13-17: SEPARABILITY:

If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder of this Ordinance but the effect thereof shall be confined to the section, paragraph, subdivision, clause, sentence or provision immediately involved in the controversy in which judgment or decree shall be rendered. (Ord. 82-33, 6-17-82)
