

ARTICLE III. RAFFLES¹

Sec. 6-174. Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Business means a voluntary organization composed of individuals and businesses that have joined together to advance the commercial, financial, industrial and civic interests of a community.

Charitable means 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.

Educational means 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.

Fraternal means 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.

Labor means 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 occupations.

Net proceeds means the gross receipts from the conduct of a raffle, less reasonable sums expended for prizes, local license fees and other reasonable operating expenses incurred as a result of operating a raffle.

Not-for-profit or nonprofit means an organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to any one as a result of the operation.

Raffle means a form of lottery, as defined in section 28-2(b) of the "Criminal Code of 1961," of the state, conducted by an organization licensed under this article, in which:

- (1) 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;
- (2) 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.

Religious means any church, congregation, society or organization founded for the purpose of religious worship.

Veterans means 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

¹State law reference(s)—Raffles Act, 230 ILCS 15/0.01 et seq.

promote the welfare of its members and to provide assistance to the general public in such a way as to confer a public benefit.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.62, 1-14-1992)

State law reference(s)—Similar definitions, 230 ILCS 15/1.

Sec. 6-175. License required.

No person shall organize, conduct, participate in or sponsor a raffle without having first obtained a license therefor as hereinafter provided, and any person obtaining such license shall conform to the provisions hereinafter specified.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.60, 1-14-1992)

State law reference(s)—Authority for municipal licensing of raffles, 230 ILCS 15/2.

Sec. 6-176. Eligibility for license.

- (a) The license provided for in this article shall only be issued to bonafide religious, charitable, business, labor, fraternal, veterans and educational organizations that are organized and operated on a not-for-profit basis, are based or located in the village, and have been organized and have operated for a period of five years immediately prior to the application.
- (b) The following are ineligible for any license under this article:
 - (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 organization in which a person defined in subsection (b)(1), (2) or (3) of this section has a proprietary, equitable or credit interest, or in which such a person is active or employed;
 - (5) Any organization in which a person defined in subsection (b)(1), (2) or (3) of this section is an officer, director or employee, whether compensated or not;
 - (6) Any organization in which a person defined in subsection (b)(1), (2) or (3) of this section is to participate in the management or operation of a raffle as defined in this article.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.61, 1-14-1992)

State law reference(s)—Persons ineligible for raffle license, 230 ILCS 15/3.

Sec. 6-177. Application for license.

Application for a license to conduct any raffle shall be made to the village clerk in writing and signed by the duly authorized presiding officer and the secretary of the organization applying for such license, verified by oath or affirmation, and shall contain the following verifications:

- (1) The legal name and address of the organization and whether it is incorporated or unincorporated and the purpose for which it was organized and a statement attesting to the not-for-profit charter of the organization.

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- (2) The name and address of all officers of the organization including the directors, trustees or other members of its governing body.
 - (3) The date the organization was chartered, founded or organized.
 - (4) The number of members in the organization.
 - (5) The specific details of any raffle including:
 - a. Prizes to be offered;
 - b. Retail value of prizes;
 - c. Price of raffle ticket;
 - d. The time period during which raffle chances for any raffle will be sold or issued (beginning date and ending date);
 - e. The times, location and manner of selecting winning chances for any raffle;
 - f. The names of the persons who will be selling or issuing any raffle chances and the area where raffle chances will be sold or issued;
 - g. The name and address of the person designated as the raffle manager as provided in section 6-181; and
 - h. Copy of the bond or waiver of bond, whichever is applicable, as provided in section 6-181.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.63, 1-14-1992)

Sec. 6-178. License fee.

The license fee for raffles shall be as determined from time to time by the village board.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.64, 1-14-1992)

Sec. 6-179. Scope of license.

A license issued pursuant to this article 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.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.65, 1-14-1992)

Sec. 6-180. Conduct of raffles.

Each and every organization obtaining a license to conduct a raffle shall be subject to the following restrictions:

- (1) The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the organization permitted to conduct that raffle.
- (2) No person except a bonafide 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.

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- (4) 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.
 - (5) No person under the age of 18 years may participate in the conducting of raffles or chances. A person under the age of 18 years may be within the area where winning chances are being determined only when accompanied by a parent or guardian.
 - (6) The aggregate retail value of all prizes given in any single raffle shall not exceed \$250,000.00 in retail value.
 - (7) The cost of any single raffle ticket shall not exceed \$200.00.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.66, 1-14-1992; Ord. No. 2670, § 1, 4-13-2021)

State law reference(s)—Similar provision, 230 ILCS 15/4.

Sec. 6-181. Raffle manager; bond.

The operation of and the conduct of any 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 \$1,000.00 or such other amount as is equal to the aggregate retail value of all prizes given in any single raffle, whichever sum is greater, in favor of the organization conditioned upon the honesty of such manager in the performance of his duties of such manager. Terms of the bond shall provide that notice shall be given in writing to the village clerk not less than 30 days prior to its cancellation. The village clerk may waive this bond requirement by including a waiver provision in the license issued to an organization under this article, provided that a license containing such waiver provision shall be granted only after a three-fourths vote to do so by the governing body of the licensed organization.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.67, 1-14-1992)

State law reference(s)—Similar provision, 230 ILCS 15/5.

Sec. 6-182. Records maintenance.

The following records shall be kept and maintained by each licensee, to wit:

- (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 payee, purpose, amount and date of payment.
- (2) Gross receipts from the operation of raffles shall be segregated from other revenues of the organization including bingo gross receipts, if bingo games are also conducted by the same nonprofit organization pursuant to license therefor issued by the department of revenue of the state, 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 under this article shall report promptly after the conclusion of each raffle to its membership, and to the village clerk, its gross receipts, expenses and net proceeds from raffles, and the distribution of net proceeds itemized as required in this section.

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

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.68, 1-14-1992)

State law reference(s)—Similar provision, 230 ILCS 15/6.

Sec. 6-183. Penalty.

Any person violating any provisions of this article shall be subject to penalties as set forth in section 1-23.

(Ord. No. 1071, 3-12-1985; Ord. No. 1339, § 7.69, 1-14-1992)