

ORDINANCE NO. 17-14

**AN ORDINANCE AMENDING TITLE 3, BUSINESS REGULATIONS,
CHAPTER 20, RAFFLES, OF THE VILLAGE OF MANTENO
MUNICIPAL CODE**

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AN ORDINANCE AMENDING TITLE 3, BUSINESS REGULATIONS, CHAPTER 20, RAFFLES, OF THE VILLAGE OF MANTENO MUNICIPAL CODE

BE IT ORDAINED by the President and Board of Trustees of the Village of Manteno, as follows:

Section 1

That Title 3, Business Regulations, of the Village of Manteno Municipal Code, be amended by changing Chapter 20, Raffles, to read as follows:

CHAPTER 20

RAFFLES

SECTION:

- 3-20-1: License Required
- 3-20-2: Definitions
- 3-20-3: Qualifications
- 3-20-4: Ineligibility
- 3-20-5: Application
- 3-20-6: License Fee
- 3-20-7: License Issuance
- 3-20-8: License Terms
- 3-20-9: Exemption
- 3-20-10: Conduct of Raffles
- 3-20-11: Manager; Bond
- 3-20-12: Records
- 3-20-13: Suspension and Revocation of Licenses
- 3-20-14: Penalties

3-20-1: **LICENSE REQUIRED:** It shall be unlawful to conduct any raffle, including the sale or issuance of chances, in the Village without first having obtained a raffle license in accordance with the provisions of this Chapter.

3-20-2: **DEFINITIONS:** The following words and phrases shall be given the meanings ascribed herein unless the context clearly denotes a contrary intention:

Act means the Raffles and Poker Runs Act, 230 ILCS 15/0.01, *et seq.*

Board of Trustees means the president and board of trustees of the Village of Manteno.

Business means a voluntary organization composed of individuals and businesses who 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 to 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.

Key location means the location where a raffle organized by a law enforcement agency or a statewide association that represents law enforcement officials is conducted and the prize or prizes are awarded.

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.

Law enforcement agency means any agency of Illinois or unit of local government which is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances.

Net proceeds means 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.

Non-profit 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 2012, conducted by an organization licensed under this Chapter, in which: (1) a person 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 a winning chance; (2) the winning chance is determined through 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. *Raffle* does not include a savings promotion raffle authorized under Section 5g

of the Illinois Banking Act, Section 7008 of the Savings Bank Act, Section 42.7 of the Illinois Credit Union Act, Section 5136B of the National Bank Act (12 U.S.C. 25a), or Section 4 of the Home Owner's Loan Act (12 U.S.C. 1463).

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

3-20-3: **QUALIFICATIONS:** Only bona fide religious, charitable, labor, business, fraternal, educational, or veterans' organizations that operate without profit to their members and which have been in existence continuously for a period of five (5) years immediately before making an application for a raffle license and which have had during that entire five (5) year period a bona fide membership engaged in carrying out their objects, nonprofit fundraising organizations organized for the sole purpose of providing financial assistance to an identified individual or group of individuals suffering extreme financial hardship as a result of illness, disability, accident or disaster, or law enforcement agencies and statewide associations that represent law enforcement officials, shall be qualified for the issuance of a raffle license.

3-20-4: **INELIGIBILITY:** The following qualified persons/organizations shall be ineligible for a raffle license:

- (a) any person who has been convicted of a felony;
- (b) any person who is or has been a professional gambler or gambling promoter;
- (c) any person who is not of good moral character;
- (d) any firm or corporation in which a person defined in subsection (a), (b), or (c) has a proprietary, equitable or credit interest, or in which such a person is active or employed;
- (e) any organization in which a person defined in subsection (a), (b), or (c) is an officer, director, or employee, whether compensated or not;
- (f) any organization in which a person defined in subsection (a), (b), or (c) is to participate in the management or operation of a raffle; and
- (g) any organization that has had a raffle license revoked that has not eliminated the basis for such revocation.

3-20-5: **APPLICATION:** Any organization desirous of conducting a raffle within the Village shall complete and file with the Village Clerk an application that shall include the following information:

- (a) the name, address and telephone number of the organization, including the manager;
- (b) proof of eligibility for a raffle license;
- (c) identification of the area or areas within the Village where raffles chances will be sold or issued;
- (d) the time period during which raffle chances are to be sold or issued;
- (e) the time of determination of winning chances;
- (f) the location or locations where winning chances are to be determined;
- (g) a sworn statement on the letterhead of the organization executed by the presiding officer and secretary of the organization attesting: (i) to the not-for-profit character of the applicant; and (ii) that upon reasonable inquiry, there exists no basis for the denial of such license under Section 3-20-4 of this Chapter; and,
- (h) the name of any other jurisdiction in the State of Illinois in which the organization is licensed to conduct raffles.

3-20-6: **LICENSE FEE:** The fee for a raffle license shall be twenty-five dollars (\$25.00) for each raffle to be conducted. The license fee shall be tendered with the prospective licensee's application. The license fee shall be non-refundable unless the applicant is denied a license.

3-20-7: **LICENSE ISSUANCE:** A raffle license shall be issued to qualified organizations not otherwise ineligible that have completed and filed an application therefor, have tendered the applicable license fee, and have tendered a copy of the fidelity bond for its manager in conformance with the provisions of this Chapter. Raffle licenses shall be granted or denied by the Village within thirty (30) days after the date of filing of the application.

3-20-8: **LICENSE TERMS:** Each raffle license shall be valid for one raffle or for a specified number of raffles to be conducted within a specified period of a calendar year as identified on the raffle license. Raffle licenses are not assignable or transferable.

3-20-9: **EXEMPTION:** No raffle license shall be required for a political committee conducting a raffle within the Village that has a valid raffle license issued by the Illinois State Board of Elections, nor shall a raffle license be required for the sale or issuance of raffle chances within the Village by law enforcement agencies or statewide associations that represent law enforcement officials that are otherwise licensed by a

another jurisdiction because of the key location of the raffle is located outside of the Village.

3-20-10: **CONDUCT OF RAFFLES:** Raffles conducted in Village shall be subject to the following restrictions:

(a) the entire net proceeds of any raffle shall be exclusively devoted to the lawful purposes of the organization permitted to conduct that raffle;

(b) no person except a bona fide member of the sponsoring organization shall participate in the management or operation of a raffle;

(c) no person may receive any remuneration or profit for participating in the management or operation of a raffle;

(d) no licensee shall rent a premises where a winning chance or chances are to be determined from an organization not licensed under this Chapter;

(e) excepting law enforcement agencies and statewide associations that represent law enforcement officials, raffle chances for raffles to be conducted in the Village shall only be sold or issued within the corporate boundaries of the Village;

(f) raffle chances shall only be sold or issued within the area specified on the license and winning chances shall be determined only at those locations specified on the license;

(g) a person under the age of eighteen (18) years shall not participate in the conducting of a raffle without the written permission of a parent or guardian;

(h) a person under the age of eighteen (18) years shall only be within the area where winning chances are determined when accompanied by a parent or guardian;

(i) the aggregate retail value of all prizes and merchandise awarded by a licensee in a single raffle shall not exceed one million dollars (\$1,000,000.00);

(j) the maximum retail value of each prize awarded in a single raffle shall not exceed one million dollars (\$1,000,000.00);

(k) the maximum price that may be charged for a raffle chance shall not exceed two hundred dollars (\$200.00); and,

(l) the maximum period for which chances may be issued or sold shall not exceed nine (9) months.

3-20-11: **MANAGER; BOND:** The operation and conduct of each raffle shall be under the supervision of a single manager designated by the organization, and bonded in accordance with the provision of this section. The manager shall provide a fidelity bond in favor of the licensee conditioned upon his honesty in the performance of his duties in

the amount of 50% of the anticipated aggregate value of all raffle prizes and merchandise to be awarded by the licensee in the license year. The term of the bond shall provide that notice shall be given in writing to the Village not less than thirty (30) days prior to its cancellation or amendment. The bond requirement of this section may be waived by including a waiver provision on the license issued to an organization provided that the license containing such waiver is approved by the unanimous vote of the Board of Trustees.

3-20-12: **RECORDS:**

- (A) Each organization licensed to conduct raffles shall maintain the records of its gross receipts, expenses, and net proceeds for each single gathering or occasion where 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 deductions, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.
- (B) 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 organization pursuant to license therefor 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.
- (C) Each organization licensed to conduct raffles shall report to the Village and its membership within seven (7) days after the conclusion of each raffle its gross receipts, expenses and net proceeds from raffles, and the distribution of net proceeds itemized as required in this Chapter.
- (D) Records 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.

3-20-13: **SUSPENSION AND REVOCATION OF LICENSES:** A raffle license issued under this Chapter may be revoked or suspended by the Village Clerk for a violation of this Chapter, or any other provision of this Code, upon notice and an opportunity to be heard before the Board of Trustees.

3-20-14: **PENALTIES:** Any person, firm, corporation or organization violating any provision of this Chapter shall be fined not less than two hundred fifty dollars (\$250.00) nor more than seven hundred and fifty dollars (\$750.00) for each offense. A separate offense shall be deemed committed on each day during or on which the violation occurs or continues.

Section 2

If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this ordinance.

Section 3

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed insofar as they conflict herewith.

Section 4

This ordinance shall be in full force and effect after passage, approval, and publication. This ordinance is authorized to be published in pamphlet form.

PASSED by the Board of Trustees of the Village of Manteno, Illinois and deposited in the office of the Village Clerk this 5th day of September, 2017.

DEPOSITED with the Village Clerk
this 5th day of September, 2017.

Alisa Blanchette by Darla Heurley, Deputy VC
ALISA BLANCHETTE, Village Clerk

APPROVED by me this 5th
day of September, 2017.

Timothy O. Nugent
TIMOTHY O. NUGENT, Village President

I DO HEREBY CERTIFY that this Ordinance was, after its passage and approval, published in pamphlet form by authority of the Village of Manteno, in accordance with law, this 5th day of September, 2017.

Alisa Blanchette by Darla Heurley, Deputy VC
ALISA BLANCHETTE, Village Clerk