

VILLAGE OF GILBERTS

ORDINANCE NO. 16-2019

**AN ORDINANCE AMENDING CHAPTER 10 OF THE
VILLAGE CODE REGARDING RAFFLES**

WHEREAS, the Village of Gilberts has enacted regulations for raffles incorporated into the Gilberts Village Code pursuant to the authority granted by the state's Raffles and Poker Runs Act ("*Act*"); and

WHEREAS, recently, the Illinois General Assembly amended the Act to modify, among other provisions, the regulations that authorize municipalities to license and regulate raffles and poker runs; and

WHEREAS, in order to bring the Village's regulations into conformity with the amendments to the Act, the Village Board desires to amend its own raffles regulations, as described in this Ordinance;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES of the Village of Gilberts, Kane County, Illinois as follows:

Section 1. **Recitals.** The recitals are incorporated into this Section 1 as if fully set forth.

Section 2. **Definitions.** Section 3-10-1, entitled "Definitions," of Chapter 10, entitled "Raffles," of Title 3, entitled "Business and License Regulations," of the Gilberts Village Code is amended by adding a new definition for "Law Enforcement Agency" and amending the definition of "raffle" as follows [~~deletions struck through~~, additions **bold and underlined**]:

* * *

"LAW ENFORCEMENT AGENCY: An agency of the state or a unit of local government in the state that is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances."

* * *

"RAFFLE: A form of lottery, as defined in section 28-2(b) of the "criminal code of ~~1961~~ **2012**", conducted by an organization licensed under this chapter, 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 be some other medium, one or more of which chances is to be designated the winning chance; ~~or~~ **and** 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.”

Section 3. License Required. Section 3-10-2, entitled “License Required,” of Chapter 10, entitled “Raffles,” of Title 3, entitled “Business and License Regulations,” of the Gilberts Village Code is amended as follows [deletions ~~struck through~~, additions **bold and underlined**]:

“No person, firm, corporation, organization, association, institution, or other entity shall conduct raffles ~~or chances~~ **where the winning chances will be determined in the village** without first having obtains a license therefor pursuant to this chapter and in accordance with the Illinois raffles act.”

Section 4. Eligible Organizations. Section 3-10-3, entitled “Eligible Organizations,” of Chapter 10, entitled “Raffles,” of Title 3, entitled “Business and License Regulations,” of the Gilberts Village Code is amended as follows [deletions ~~struck through~~, additions **bold and underlined**]:

“Licenses under this chapter shall be issued only to bona fide nonprofit, religious, charitable, labor, business, fraternal, educational or veterans' organizations that operate without profit to their members, which have been in existence continuously for a period of five (5) years immediately before making application for a license under this chapter, and which have ~~had~~ during that entire five (5) year period ~~a bona fide membership~~ **been** engaged in carrying out their objective, or to a nonprofit fundraising organization that is 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 an illness, disability, accident or disaster **or to any law enforcement agencies and statewide associations that represent law enforcement officials. The village may waive the 5-year requirement for an applicant that is affiliated with and chartered by a national or state organization that meets the 5-year requirement.**”

Section 5. Ineligibility for License. Section 3-10-6, entitled “Ineligibility For License,” of Chapter 10, entitled “Raffles,” of Title 3, entitled “Business and License Regulations,” of the Gilberts Village Code is amended as follows [deletions ~~struck through~~, additions **bold and underlined**]:

“The following are ineligible for any license under this chapter:

- A. Any person who has been convicted of a felony **that will impair the person's ability to engage in the licensed position;**
- B. Any person who is or has been a professional gambler or **a professional** gambling promoter;

- C. Any person who is not of good moral character;
- D. Any ~~firm or corporation~~ **organization** in which a person defined in subsection A, B, or C of this section 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 of this section is an officer, director or employee, whether compensated or not; **and**
- F. Any organization in which a person defined in subsection A, B, or C of this section is to participate in the management or operation of a raffle as defined in the Illinois raffles act.”

Section 6. Conduct of Raffles. Section 3-10-10 entitled “Conduct of Raffles,” of Chapter 10 entitled “Raffles,” of Title 3 entitled “Business and License Regulations,” is amended as follows [~~deletions struck through~~, additions **bold and underlined**]:

“The conducting of raffles is subject to the following restrictions:

- A. Proceeds: The entire net proceeds of any raffle must be exclusively devoted to the lawful purpose of the organization permitted to conduct that game.
- ~~B. Participation In Management: No person except a bona fide member of the sponsoring organization may participate in the management or operation of the raffle.~~
- ~~C. Remuneration: No person may receive any remuneration or profit for participating in the management or operation of the raffle.~~
- B. Management: No person except a bona fide director, officer, employee, or member of the sponsoring organization may manage or participate in the management of the raffle. No person may receive any remuneration or profit for managing or participating in the management of the raffle. Sponsoring organizations may contract with third parties who, acting at the direction of and under the supervision of the sponsoring organization, provide bona fide services to the sponsoring organization in connection with the operation of a raffle and may pay reasonable compensation for such services. Such services include the following: (a) advertising, marketing and promotion, (b) legal, (c) procurement of goods, prizes, wares and merchandise for the purpose of operating the raffle, (d) rent, if the premises upon which the raffle will be held is rented, (e) accounting, auditing and bookkeeping, (f) website hosting, (g) mailing and**

delivery, (h) banking and payment processing, and (i) other services relating to the operation of the raffle.

- DC.** Premises: A licensee may rent premises on which to determine the winning chance or chances in a raffle ~~only from an organization which is also licensed under this chapter~~ **provided that the rent is not determined as a percentage of receipts or profits from the raffle.**
- ED.** Locations: Raffle chances may be sold **throughout the state, including beyond the borders of the village.** ~~or issued only within the area specified on the license and winning~~ **Winning** chances may be determined only at those locations specified on the license.
- FE.** Age Of Participants: A person under the age of eighteen (18) years may participate in the conducting of raffles or chances only with the permission of a parent or guardian. 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/her parent or guardian.
- GF.** Location For Determining Winning Chances: The location of the premises on which to determine the winning chance or chances in a raffle shall be restricted to a business district, commercial district or where a special use permit has been granted for a school, church, government or similar institution.”

Section 7. Records. Paragraph D, of Section 3-10-11, entitled “Records,” of Chapter 10, entitled “Raffles,” of Title 3, entitled “Business and License Regulations,” of the Gilberts Village Code is amended as follows [deletions ~~struck through~~, additions **bold and underlined**]:

“D. Each organization licensed to conduct raffles shall report promptly after the conclusion of each raffle to its membership, **or, if the organization does not have members, to its governing board,** and to the village of Gilberts, its gross receipts, expenses and net proceeds from raffles, and the distribution of net proceeds itemized as required in this section.

Section 8. Manager’s Bond. Section 3-10-12, entitled “Manager’s Bond,” of Chapter 10, entitled “Raffles,” of Title 3, entitled “Business and License Regulations,” of the Village Gilberts Code is amended as follows [deletions ~~struck through~~, additions **bold and underlined**]:

“All **management, operation,** ~~operations of~~ and conduct of raffles shall be under the supervision of a single raffles manager designated by the organization. The manager ~~or operator~~ of the raffle must be a bona fide **director, officer, employee,** **or** member of the organization holding the license for such a raffle and may not receive any remuneration or profit for participating in the management or operation of the raffle. The manager shall give a fidelity bond in the sum of the

total value of the prizes to be awarded in the raffle conditioned upon his/her honesty in the performance of his/her duties. Terms 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. The village board may waive the bond requirement only if the members of the organization affirmatively vote to approve a waiver or, if the organization does not have members, the members of the governing board of the organization approve a waiver."

Section 9. Severability. In the event a court of competent jurisdiction finds this Ordinance or any provision to be invalid or unenforceable as applied, such finding will not affect the validity of the remaining provisions of this Ordinance, and its application, to the greatest extent permitted by law.

Section 10. Repeal and Saving Clause. All ordinances or parts of ordinances in conflict this Ordinance are repealed; provided, however, that nothing in this Ordinance shall affect any rights, actions, or cause of action which have accrued to the Village of Gilberts prior to the effective date of this Ordinance.

Section 11. Effective Date. Upon its passage and approval according to law, this Ordinance will, by authority of the Board of Trustees, be published in pamphlet form.

ADOPTED THIS 15TH DAY OF OCTOBER, 2019, pursuant to roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Dan Corbett	<u>X</u>	_____	_____	_____
Trustee Elissa Kojzarek	<u>X</u>	_____	_____	_____
Trustee Nancy Farrell	<u>X</u>	_____	_____	_____
Trustee Jeanne Allen	<u>X</u>	_____	_____	_____
Trustee Lou Hacker	<u>X</u>	_____	_____	_____
Trustee Guy Zambetti	<u>X</u>	_____	_____	_____
President Rick Zirk	_____	_____	_____	_____

APPROVED THIS _____ DAY OF _____, 2019

[Signature]
Village President, Rick Zirk



[Signature]
Deputy Village Clerk, Terri D'Amato

Published: _____