ORDINANCE NO. 13-27

AN ORDINANCE AUTHORIZING RAFFLES

WHEREAS, the Morton Municipal Code was adopted on March 2, 1970, and duly published in book form; and

WHEREAS, the Board of Trustees desire to authorize raffles in the corporate limits of the Village of Morton;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF MORTON, Tazewell County, Illinois, that the Morton Municipal Code is amended by adding Title 3, Chapter 3 as follows:

3-3-1 PURPOSE AND TITLE

(A) Purpose. The purpose of this chapter is to regulate and control the conduct of raffles within the Village.

3-3-2 CONSTRUCTION

In the construction of this chapter, the definitions hereunder shall be observed and applied, except when the context clearly indicates otherwise:

(A) Words used in the present tense shall include the future; words used in the singular number shall include the plural number; and the plural number shall include the singular number.

(B) The word SHALL is mandatory and not discretionary.

(C) The word MAY is permissive or discretionary.

(D) Words not defined shall be interpreted in accordance with definitions contained in Webster's New Collegiate Dictionary current edition.

3-3-3 DEFINITIONS

For the purpose of this chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

BUSINESS ORGANIZATION. A voluntary organization composed of individuals or businesses who have joined together to advance the commercial, financial, industrial and civic interest of a community.

CHANCE. A number or a combination of numbers, or some other symbol or combination of symbols, one or more of which chances is represented to qualify for designation as the winning chance.

CHARITABLE ORGANIZATION. An organization or an 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 upon the public.

EDUCATIONAL ORGANIZATION. 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 ORGANIZATION. 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 who otherwise would be cared for by the government.

LABOR ORGANIZATION. 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.

LICENSEE. An organization which has been issued a license to operate a raffle.

NET PROCEEDS. The gross receipts from the conduct of raffles, less sums expended for prizes, local license fees, and other reasonable operating expenses incurred as a result of operating a raffle.

NONPROFIT. Organized, operated, and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of the operation.

PERSON. An individual, firm, organization, public or private corporation, government, partnership, or unincorporated association.

PRIZE. The goods, services, money or other items of value or consideration awarded or represented to be awarded to the winning chance or chances.

RAFFLE. A form of lottery, as defined in Section 28-2(b) of the "Criminal Code of 2012," conducted by an organization licensed under this Title 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 means, one or more of which chances is to be designated the winning chance; and

(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 ORGANIZATION. Any church, congregation, society, or organization founded for the purpose of religious worship.

VETERAN'S ORGANIZATION. 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.

3-3-4 LICENSE REQUIREMENTS

It shall be unlawful to conduct or operate a raffle or to sell, offer for sale, convey, issue, or otherwise transfer for value a chance on a raffle unless said raffle has been licensed.

3-3-5 AREA LIMITATION ON SALE OF CHANCES

No license issued pursuant to this chapter authorizes any person or organization to conduct or operate a raffle or to sell, offer for sale, convey, issue, or otherwise transfer for value a raffle chance outside the corporate limits of the Village, and no persons or organizations shall conduct or operate a raffle licensed pursuant to this chapter outside the corporate limits of the Village.

3-3-6 APPLICATION

Any person seeking to conduct or operate a raffle shall file an application therefor with the Village Clerk or his designee on forms provided by the Village Clerk. Said application shall contain the following information:

(A) The name, address, and type of organization;

(B) The length of existence of the organization and, if incorporated, the date and state of incorporation;

(C) The name, address, telephone number, social security number, and date of birth of the organization's presiding officer, secretary, raffles manager, and any other members responsible for the conduct and operation of the raffle;

(D) The aggregate retail value of all prizes to be awarded in the raffle;

(E) The maximum retail value of each prize to be awarded in the raffle;

(F) The maximum price charged for each raffle chance issued or sold;

(G) The time period during which the raffle chances will be issued or sold shall not exceed more than one hundred eighty (180) days after issuance of the license;

(H) The time and location at which winning chances will be determined;

(I) A sworn statement attesting to the not-for-profit character of applicant organization, signed by its presiding officer and secretary;

(J) A certificate signed by the presiding officer of the applicant organization attesting to the fact that the information contained in application is true and correct;

(K) Copies of the applicant organization's founding documents, and if incorporated, the articles of incorporation and by-laws.

3-3-7 LICENSE QUALIFICATIONS

Raffle licenses shall be issued only to bona fide business, charitable, educational, fraternal, labor, religious, and veteran's organizations that operate without profit to their members and which have been in existence continuously for a period of five (5) years or more immediately before making application for a license and which have had during that entire five (5) year period a bona fide membership engaged in carrying out their objects, or to a non-profit fundraising organization that the licensing authority determines is organized for the sole purpose of providing financial assistance to an identified individual or group of individuals suffering extreme financial hardship as the result of an illness, disability, accident or disaster.

3-3-8 FEES

There is no fee to issue a license.

3-3-9 PERSON OR ORGANIZATIONS INELIGIBLE

The following are ineligible for any 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 organization in which a person defined in (A) through (C) that has a proprietary, equitable, or credit interest, or in which such person is active or employed;

(E) Any organization in which a person defined in (A) through (C) that is an officer, director, or employee, whether compensated or not; and

(F) Any organization in which a person defined in (A) through (C) above is to participate in the management or operation of a raffle as defined in this title.

3-3-10 LICENSE ISSUANCE

The Village Clerk or his designee shall review all raffle license applications and approve or deny, it within thirty (30) days from the date of application. If an application is accepted, a raffle license will be issued by the Village Clerk. If an application is rejected by the Village Clerk or his designee, that is final and there is no appeal process.

An organization may be issued a single license for multiple raffles within a time period not to exceed one (1) year. The organization may have one raffle manager or may designate different raffle managers for each raffle.

3-3-11 CONDUCT OF RAFFLES

The operation and conduct of raffles are subject to the following restrictions:

(A) The entire net proceeds of any raffle must be exclusively devoted to the lawful purpose of the licensee;

(B) No person except a bona fide member of the licensee may participate in the management or operation of the raffle;

(C) No person may receive remuneration or profit for participating in the management or operation of the raffle;

(D) A licensee may rent a premises on which to determine the winning chance or chances in a raffle only from an organization which is also licensed under this chapter;

(E) Raffle chances may be sold, offered for sale, conveyed, issued or otherwise transferred for value only within the Village; the winning chances may be determined only at the location specified on the license;

(F) 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 parent or guardian.

3-3-12 RAFFLES MANAGER

The operation and conduct of a raffle shall be under the supervision of a single raffle manager designated by the licensee. The manager shall give a fidelity bond equal in the amount to the

aggregate retail value of all prizes to be awarded in favor of the licensee conditioned upon his honesty in the performance of his duties. The terms of the bond shall provide that notice shall be given in writing to the Village of Morton not less than thirty (30) days prior to its cancellation. The Board of Trustees may waive this bond requirement by including a waiver provision in the license issued to an organization under this chapter, provided that a license containing such waiver provision shall be granted only by unanimous vote of the members of the licensed organization.

3-3-13 RECORDS

(A) Each licensee 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.

(B) Gross receipts from the operation of raffles shall be segregated from other revenues of the licensee including bingo gross receipts, if bingo games are also conducted by the same non-profit organization pursuant to license therefor issued by the Department of Revenue of the State of Illinois, and placed in a separate account. Each licensee shall keep 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 licensee.

(C) Each licensee shall report to the Village its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required herein. Each report shall be made within thirty (30) days of the date of the raffle.

(D) Raffle records shall be preserved for three (3) years, and organizations shall make available their records relating to the operation of raffles for public inspection at reasonable times and places.

3-3-14 SALE LIMITATIONS

Chances may not be sold, offered for sale, conveyed, issued, or otherwise transferred for value after the time designated in the application.

3-3-15 PRIZE LIMITATIONS

The aggregate retail value of all prizes awarded in a single raffle shall not exceed forty thousand dollars ($40,000).

3-3-16 CHANCE LIMITATION

The price which may be charged for each raffle chance sold, offered for sale, conveyed, issued, or otherwise transferred for value shall not exceed one hundred dollars ($100.00).

3-3-17 AWARDING OF PRIZE

Upon the sale, conveyance, issuance or other transfer for value of any chance, the licensee shall award the prize or prizes designated as such in the application.

3-3-18 SEVERABILITY

If any provision of this chapter or the application thereof is held to be unconstitutional or otherwise invalid by a court of competent jurisdiction then this chapter becomes void.

3-3-19 LICENSE SUSPENSION OR REVOCATION

The Chief of Police may suspend or revoke any license issued hereunder if he has reason to believe the licensee has failed to comply with any material requirement of this chapter. Nothing herein shall prevent the Village from seeking penalties from the licensee in addition to suspension or revocation of a license.

3-3-20 PENALTY

Failure to comply with any of the requirements of this chapter shall constitute a violation; and any person, upon conviction thereof, shall be fined no less than fifty dollars ($50.00) but no more than seven hundred dollars ($750.00) for each offense. Each day the violation continues shall be considered a separate offense.

BE IT FURTHER ORDAINED, that this Ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

PASSED AND APPROVED at a regular meeting of the President and Board of Trustees of the Village of Morton this ____3rd_____ day of _____February_____, 2014; and upon roll call the vote was as follows:

AYES: Belsley, Hermann, Kaufman, Rainson

NAYS: Daab, Heer, Newhouse

ABSENT: None

ABSTAINING: None

APPROVED this ____3rd____ day of ____February_____, 2014.

President

ATTEST:

Village Clerk

MORTON, TAZEWELL COUNTY
VILLAGE SEAL
ILLINOIS