

ORDINANCE NO. 2023-1220A
AN ORDINANCE FOR RAFFLES; GAMBLING

WHEREAS, The Village Board intends to pass an Ordinance for Raffles; Gambling in the Village of Elizabeth to promote the health and safety of the residents of the Village of Elizabeth.

WHEREAS, The Village Board intends to approve an Ordinance for Raffles; Gambling in the Village of Elizabeth.

WHEREAS, raffles and gambling are a popular and diverse part of local in the United States; and

WHEREAS, the Village of Elizabeth seeks to protect public health and safety by ensuring raffles follow clear, narrowly tailored regulations that address demonstrable health and safety risks.

NOW, THEREFORE, BE IT ORDAINED BY THE VILLAGE BOARD OF THE VILLAGE OF ELIZABETH AS FOLLOWS:

SECTION 1. DEFINITIONS.

The following words and phrases in this section shall have the meanings given, except where the context clearly indicates a different meaning:

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.

EDUCATION: An organization or institution organized and operated to provide systematic instruction in the useful branches of learning by methods common to schools and institutions of learning which compare favorable in their scope and intensity with a course of study presented in tax supported schools.

FRATERNAL: An organization of persons having a common interest, the primary interest of which is to promote the welfare of its members and 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: 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: The gross receipts from the conduct of raffles, less reasonable sum expended for the prizes, local license fees, and other reasonable operating expenses incurred as a result of operating a raffle.

NONPROFIT: 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.

RAFFLE: A form of lottery, as defined in paragraph 28-2(b) of the "criminal code of 1961" 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 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.

RELIGIOUS: Any church, congregation, society, or organization founded for the purpose of religious worship.

VETERANS: An organization or association comprised of members of which substantially all are individuals who are veterans or are 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 public benefit.

SECTION 2. LICENSE REQUIREMENT; PERSONS INELIGIBLE.

- A. Licenses issued under this chapter are subject to the following restrictions:
 - 1. No person shall conduct raffles or chances without first having obtained a license therefor pursuant to this chapter.
 - 2. The license and application for license must specify the area or areas within the Village in which raffle chances will be sold or issued, the time period during which raffle chances will be sold or issued, the time of determination of the winning chances and the location or locations at which winning chances will be determined.
 - 3. The license application must contain a sworn statement attesting to the not-for-profit character of the prospective licensing organization signed by the presiding officer and the secretary of that organization.
 - 4. A license issued under this chapter shall be only to conduct raffles as defined in this chapter. Each license is valid for one raffle only.
- B. The following are ineligible for any license under this chapter:
 - 1. A person who has been convicted of a felony.
 - 2. A person who is or who has been a professional gambler or gambling promoter.

3. Any firm or corporation in which a person defined in subsection B1 or B2 of this section has a proprietary, equitable or credit interest, or in which such person is active or employed.
4. Any organization in which a person defined in subsection B1, B2 or B3 of this section is an officer, director or employee, whether compensated or not.
5. Any organization in which a person defined in subsection B1, B2 or B3 of this section is to participate in the management or operation of a raffle as defined in this chapter.

SECTION 3. LICENSE FEES AND ISSUANCE.

- A. The license fee for each raffle conducted pursuant to this chapter shall be none. The Village Board shall act on a license application within thirty (30) days within the date of that application.
- B. The license issued under this chapter shall authorize the sale of raffle chances only within the borders of the Village limits.
- C. Licenses shall be issued only to bona fide religious, charitable, labor, 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 application for a license and which has had during that entire five (5) year period a bona fide membership in carrying out their objectives.

SECTION 4. CONDUCT OF RAFFLES; LIMITATIONS.

- A. The Village Board hereby establishes the following limitations in the conduct of operating the raffles licensed under this chapter:
 1. The aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle shall be five hundred thousand dollars (\$500,000.00).
 2. The maximum retail value of each prize awarded by a licensee in a single raffle shall be five hundred thousand dollars (\$500,000.00).
 3. The maximum price which may be charged for each raffle chance issued or sold shall be five dollars (\$5.00).
 4. The maximum number of days during which chances may be issued or sold shall be one hundred twenty (120).
- B. The conducting of raffles is subject to the following further restrictions:
 1. The entire net proceeds of any raffle must exclusively be devoted to the lawful purpose of the organization permitted to conduct the raffle.
 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. 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.
5. 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.
6. No person under the age of eighteen (18) years may participate in the conducting of the 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.

SECTION 5. RAFFLE MANAGER, BOND.

All operation and 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 a sum equal to the estimated gross revenue of the raffle in favor of the organization, conditioned on his honesty and performance of his duties. The bond shall provide that notice shall be given in writing to the Village Clerk on behalf of the Village Board not less than thirty (30) days prior to its cancellation. The Village Board 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 a unanimous vote of the members of the licensed organization.

SECTION 6. RECORDS TO BE KEPT.

- A. Each organization licensed to conduct raffles 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 items, 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 raffle programs shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are also conducted by the same not for profit organization pursuant to their license issued by the department of revenue of the state of Illinois, and placed in a separate account. Each organization shall have separate records of each 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 a raffle shall within thirty (30) days after the conclusion of each raffle report to its membership, and to the Village Board, by filing a written report

with the Village Clerk, its gross receipts, its expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required in this section.

- D. 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.

SECTION 7. GAMBLING PROHIBITED.

- A. It is unlawful to gamble, attend or participate in any gambling activity, or to make any bet, or to buy or sell any chances or tickets in any gambling game, arrangement or device, other than as may be provided for herein and excepting the purchase of lottery tickets as authorized by the state.
- B. It is unlawful to possess any gambling device or paraphernalia with the intent to use the same for an unlawful purpose, and any such device or paraphernalia kept with any such intent may be confiscated by the Chief of Police.
- C. It is unlawful to maintain or patronize any establishment maintained for gambling purposes.
- D. Notwithstanding the above, the prohibitions provided for in this chapter shall not apply to any device, equipment, paraphernalia or activity authorized and operated in full compliance with the Illinois Video Gaming Act, including but not limited to, video gaming terminals and the equipment ancillary thereto.