MOTION DEFEATED ON A ROLL CALL VOTE

ORDINANCE 2010-0601

AN ORDINANCE CONCERNING RAFFLES

WHEREAS, Illinois law allows counties to permit raffles within their boundaries, subject to certain legal restrictions; and

WHEREAS, the County Board of Ogle County has determined that it is in the best interest of the citizens of the County to permit raffles to be held by non-profit charitable, educational, fraternal, labor, religious, and veterans' organizations for fundraising purposes, subject to certain limitations.

NOW THEREFORE, it is hereby ordained by the Ogle County Board as follows:

1. Title. This article shall be known, cited and referred to as the "Raffle Ordinance of Ogle County."

2. Purpose. The purpose of this article is to regulate and control the conduct of raffles within the County of Ogle outside the corporate limits of any municipality.

3. Construction. In the construction of this article, 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 tense; words used in the singular number shall include the plural number; words used in the masculine gender shall include the female gender; and such inclusive words shall be reciprocal.
(b) The word "may" is permissive or discretionary.
(c) The word "shall" is mandatory and not discretionary.

4. Definitions. For the purposes of this article, the words and phrases listed hereunder have the meanings designated herein, except when a particular context clearly requires a different meaning:
Charitable organization is 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 upon the public.
County is the County of Ogle, Illinois.
County Board is the County Board of the County of Ogle.
County Clerk is the County Clerk of the County of Ogle, Illinois.
Educational organization is an organization or institution organized and operated to provide systematic instruction in useful branches or 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 is 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 is 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 is an organization which has been issued a license to operate a raffle.

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Net proceeds means 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 means organized, operated and conducted on a not-for-profit basis with no personal profit inuring to anyone as a result of said operation.
Person means an individual, firm, organization, public or private corporation, government, partnership or unincorporated association.
Raffle means a form of lottery, as defined in the Illinois Raffles Act, 230 ILCS 15/0.01 et seq. and Section 28-2(b) of the "Criminal Code of 1961," or successor statutes, conducted by an organization licensed under this article 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 by some other means, one or more of which chances is to be designated the winning chance; 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.

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

5. 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 done in accordance herewith.

6. Application. Any person seeking to conduct or operate a raffle shall file an application therefor with the County Clerk on forms provided by the County Clerk, and shall upon application pay to the County Clerk a non-refundable application fee of $25. 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 and date of birth of the organization's presiding officer and 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 maximum number of raffle chances to be issued;
(H) The area or areas in which raffle chances will be sold or issued;
(I) The time period during which raffle chances will be issued or sold;
(J) The date, time and location at which winning chances will be determined;
(K) A sworn statement attesting to the not-for-profit character of the applicant organization, signed by its presiding officer;
(L) A certificate signed by the presiding officer of the applicant organization attesting to the fact that the information contained in the application is true and correct; and

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(M) A fidelity bond in the name of the raffle manager in an amount equal to the aggregate retail value of all prizes to be awarded shall accompany said application or a request for the waiver of such bond, in accordance with state law.

7. Licensee qualifications. Raffle licenses shall be issued only to bona fide charitable, education, fraternal, labor, religious and veterans' organizations that operate without profit to their members and which have been in existence continuously for a period of five years or more immediately before making application for a license and which have had during the entire five-year period a bona fide membership engaged in carrying out their objects. 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 items (A), (B) or (C) supra 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 items (A), (B) or (C) supra is an officer, director or employee, whether compensated or not; and
(F) Any organization in which a person defined in items (A), (B) or (C) supra is to participate in the management or operation of a raffle as defined herein.

8. License issuance.
(A) The County Board hereby designates the County Clerk as authorized to approve license applications made under this article. The County Clerk shall review all raffle license applications for completeness, and shall approve or deny completed applications within 30 days from the date of application. If an application is approved, the County Clerk shall issue a raffle license to the applicant. A raffle license shall be valid for a period of six months from and after its issuance unless the County Board or its designees have specifically authorized a license for a longer period of time.
(B) A raffle license shall show the following:
1. The area or areas in which raffle chances may be sold or issued;
2. The period of time during which raffle chances may be sold or issued; and
3. The date, time and location on or at which winning chances will be determined.

(C) Said license shall be prominently displayed at the time and location of the determination of the winning chances.
(D) A license shall be valid for multiple raffles within the time period for which application has been made, but shall be valid only for those raffles identified upon the application.

9. 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 license shall be valid for multiple raffles within the winning chance or chances in a raffle only from an organization which is also licensed under this article;
(E) Raffle chances may be sold, offered for sale, conveyed, issued or otherwise transferred for value only within the area specified on the license; and the winning chances may be determined only at the location specified on the license;

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(F) No person under the age of 18 years may participate in the operation or conduct of raffles. A person under the age of 18 years may be within the area where winning chances are being determined only when accompanied by his parent or guardian.

10. Raffles manager. The operation and conduct of a raffle shall be under the supervision of a single raffles manager designated by the licensee. The manager shall give a fidelity bond equal in amount to the aggregate retail value of all prizes to be awarded in favor of the organization 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 County not less than 30 days prior to its cancellation.

11. 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 nonprofit 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 its membership and to the County its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required herein.
(D) Raffle records shall be preserved for three years, and organizations shall make available their records relating to the operation of raffles for public inspection at reasonable times and places.

12. Prize limitations. The aggregate retail value of all prizes awarded in a single raffle shall not exceed $60,000.00 and the retail value of any one prize awarded in a single raffle shall not exceed $60,000.00.

13. 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 the following schedule;

Aggregate Retail Value of Prizes	Maximum Price
Less than $1,000.00	$10.00
$1,000.00--$60,000.00	$500.00

14. Reciprocity. In the event that any city located in Ogle County should adopt an ordinance regulating the adoption of raffles, licensees who have obtained licenses from said city are hereby authorized and allowed to sell, offer for sale, convey, issue or otherwise transfer for value raffle chances within the corporate boundaries of Ogle County without first obtaining a license pursuant to this article; provided, that said city has adopted an ordinance, or part thereof, granting reciprocity to the licensee who has been licensed by the County of Ogle.

15. Enforcement.
(A) *Penalties.* Failure to comply with any of the requirements of this article shall constitute a violation; and any person, upon conviction thereof, shall be fined not more than $500.00 for each offense. Each day the violation continues shall be considered a separate offense.

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(B) *Abatement.* The imposition of the penalties herein prescribed shall not preclude the state's attorney from instituting appropriate action to prevent unlawful raffles or to restrain, correct or abate a violation of this article or of the conditions of a raffle license issued pursuant hereto.
(C) *Prosecution under State law*. The County's enactment of this section relating to penalties for violations of this ordinance shall not preclude the state's attorney from prosecuting misdemeanors and felonies related to the conduct of raffles under the laws of the State of Illinois.

Presented at the May 18, 2010 Ogle County Board Meeting.

Adopted at the June 15, 2010 Ogle County Board Meeting.

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W. Ed Rice, Chairman

Attest:

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Rebecca Huntley, County Clerk