

## CHAPTER 62

### RAFFLES

1. **DEFINITIONS.** Whenever used in this Chapter, the word "Act" shall mean "An Act to provide for licensing and regulating certain games of chance and amending certain Acts herein named", Public Act 81-1365, as amended by Public Act 101-109. Words and phrases used herein shall have the meanings ascribed to them in the Act, unless the context clearly indicates some other meaning is intended. The word "organization" shall be construed to include an auxiliary or affiliate of a licensee. (Amended, Ordinance No. 2019-115, August 19, 2019)

2. **ISSUANCE OF LICENSES.** The Finance Department shall have the authority to issue licenses for raffles, as defined in the Act, subject to the limitations stated in Section 3 hereof. (AMENDED, Ordinance No. 89-42, May 1, 1989)

3. **APPLICATION FOR LICENSE.** Licenses for raffles shall be issued only to bona fide religious, charitable, labor, business, fraternal, educational, veteran's or other bona fide not-for-profit organizations which are located within the corporate limits of the City of Decatur and which operate without profit to their members and which have been in existence continuously for a period of five years immediately before applying for such license and have during said period been engaged in carrying out their objects, or to a non-profit fundraising organization that the City Manager 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 or to any law enforcement agencies and Statewide associations that represent law enforcement officials. Application shall be made in writing, no

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fewer than ten days before the intended sale of raffle chances, on forms provided by the Finance Department. Each application shall contain the name and address of the applicant, the area in which winning chances in the raffle will be determined, the time period during which raffle chances will be sold or issued, the time and manner and location of determining the winning chances, and such other information as the Department may require. Each application must contain a sworn statement attesting to the not-for-profit character of the applicant, signed by its presiding officer and secretary. (AMENDED, Ordinance No. 89-42, May 1, 1989) (Amended, Ordinance No. 2019-115, August 19, 2019)

4. **FEE.** Each raffle, other than those authorized by an annual license, shall be authorized by a separate license. Annual licenses may be issued for a specified number of raffles to be conducted during a specified period not to exceed one year. The license fee, for other than annual licenses, payment of which shall accompany the application, shall be \$25.00 for the first \$1,000 of prize value or part thereof and \$10.00 for each additional \$1,000 of prize value up to \$10,000 with a maximum fee of \$115.00. The fee for an annual license shall be \$115.00. Licenses shall be valid for the duration of the licensed contest or contests. (Amended, Ordinance No. 2019-115, August 19, 2019)

5. **RAFFLE TICKETS.** Each raffle ticket, chance or other raffle token, for other than annual licenses, shall state on its face, the name and address of the licensee, the date or dates of the drawing, and the prize or prizes to be awarded; provided, however, that this requirement shall not apply to any raffle in which prizes in aggregate value under \$50.00 are awarded. Such tickets, chances or other tokens sold under the authority of an annual license shall state the name and address of the licensee on the faces thereof. No such ticket, chance or token, other than for

an annual license, shall be sold or issued more than 364 days before the determination of the winning chance or chances.

6. **INELIGIBILITY.** The following are ineligible for any license under this Chapter:

(a) any person whose felony conviction will impair the person's ability to engage in the licensed position;

(b) any person who is or has been a professional gambler or professional gambling promoter;

(c) any person who is not of good moral character;

(d) any organization in which a person defined in (a), (b) or (c) above 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 (a), (b) or (c) above is an officer, director, or employee, whether compensated or not; and

(f) any organization in which a person defined in (a), (b) or (c) above is to participate in the management or operation of a raffle as defined in this Chapter.

(Amended, Ordinance No. 2019-115, August 19, 2019)

7. **CONDUCT OF RAFFLES.** The conducting of raffles is subject to the following restrictions:

(a) The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the organization permitted to conduct the raffle.

(b) 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.

(c) 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. Services may include:

- (1) Advertising, marketing and promotion
- (2) Legal
- (3) Procurement of goods, prizes, wares and merchandise for the purpose of operating the raffle
- (4) Rent, if the premises upon which the raffle will be held is rented. A licensee may rent a premises on which to determine the winning chance or chances provided that the rent is not determined as a percentage of receipts or profits from the raffle.
- (5) Accounting, auditing and bookkeeping
- (6) Website hosting
- (7) Mailing and delivery
- (8) Banking and payment processing
- (9) Other services related to the operation of the raffle

(d) Raffle chances may be sold throughout the State of Illinois; however, winning chances may be determined only at those locations specified on the license for a raffle.

(e) A person under the age of eighteen (18) years of age may participate in the conducting of raffles or chances only with the permission of a parent or legal guardian and may be within the area where winning chances in a raffle are being determined only when accompanied by his parent or legal guardian.

(f) All management, operation, and conduct of raffles shall be under the supervision of a single manager designated by the organization. (Amended, Ordinance No. 2019-115, August 19, 2019)

8. **RECORDS.** Each licensee shall keep the following records and preserve such for three (3) years and shall make such records available for public inspection at reasonable times and places:

(a) Records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning chances in a raffle are determined. All deductions from gross receipts for such 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 shall be segregated from other revenues of the organization, including bingo gross receipts, if bingo games are also conducted by the same organization 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.

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(c) Each licensee 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 City Finance Department its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required in this Section. (Amended, Ordinance No. 2019-115, August 19, 2019)

9. **PRIZES.** The maximum cash prize awarded in any raffle shall be \$100,000; the maximum retail value of a non-cash prize awarded in any raffle shall be \$200,000. The aggregate value of all prizes awarded in any raffle shall not exceed \$300,000. The maximum fee for any chance shall be \$1,000.00; all such fees shall be paid in currency or by check.

10. **RULES AND REGULATIONS.** The City Manager is authorized and directed to cause to be promulgated rules and regulations not inconsistent with this Chapter or the Act governing the conduct of raffles hereunder.

11. **BOND.** The amount of the surety bond in favor of the organization required by the Act shall be an amount equal to double the total value of the prize or prizes to be awarded. The bond shall provide that notice shall be given in writing to the City not less than thirty (30) days prior to its cancellation. (AMENDED, Ordinance No. 2009-39, May 18, 2009) (Amended, Ordinance No. 2019-115, August 19, 2019)