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#151

ORDINANCE TO LICENSE AND REGULATE RAFFLES

BE IT ORDAINED by the Board of Trustees of the Village of Cullom, Livingston County, Illinois, now in regular session, that the following Ordinance to License and Regulate Raffles be and hereby is adopted:

1.0 JURISDICTION. This Ordinance shall be effective within the corporate limits of the Village of Cullom.

1.1 DEFINITIONS. For the purposes of this Ordinance, the terms defined in this section have the meanings given them.

Net Proceeds The gross receipts from the conduct of raffles, less reasonable sums expended for prizes and other reasonable operating expenses incurred as a result of operating a raffle.

Raffle A form of lottery, as defined in Section 28-2(b) of the "Criminal Code of 1961" conducted by an organization licensed under the Ordinance, in which:

(A) The player pays or agrees to pay something of value for a chance, presented and differentiated by a number or by a combination of numbers, or by some other medium, one or more of which chance is to be designated the winning chance;

(B) The winning chance is to be determined through a drawing or by 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.

Non-Profit 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.

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.

Educational 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.

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

Fraternal An organization of persons having a common interest, the primary interest of which is to both 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 that otherwise would be cared for by the government.

Veterans 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.

Labor An organization composed of workers organized with the objectives of betterment of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their respective occupations.

Business A voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial, and civic interests of a community.

Hardship A non-profit fundraising organization that has not been in existence continuously for a period of five years immediately before making application for a license that the County determines to be 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.

1.2 RAFFLE LICENSING COMMISSIONER AND RAFFLE LICENSING COMMISSION

1.2-1 The President of the Board of Trustees shall be the Raffle Licensing Commissioner and shall head the Raffle Licensing Commission appointed in accordance with the terms of this Ordinance.

1.2-2 The Raffle Licensing Commission shall consist of the members of the Board of Trustees of the Village of Cullom.

1.3 APPLICATION AND LICENSING

1.3-1 It shall be unlawful to sell or offer for sale, within the corporate limits of the Village of Cullom, any raffle chance without first obtaining a license to operate a raffle or in violation of the terms of said license.

1.3-2 Application for said license shall be made in writing by the applicant and filed with the Clerk of the Village of Cullom. Such application shall be accompanied by the appropriate filing fee, if any as required herein. Such fee shall be cash, check, or money order. The village Clerk shall refer the application as required herein and shall remit the fee to the appropriate Village Official.

1.3-3 The Raffle Licensing Commissioner shall review all applications for Class A licenses and shall, if such application is in compliance with the provisions of this Ordinance, issue said license. Class A applications shall be acted upon within 30 days from the date of filing such application.

1.3-4 The Raffle Licensing Commission shall also review all applications for Class B licenses, and, if such application is in compliance with the provisions of this Ordinance, shall issue said license. The Commission shall act upon a license application within 30 days from the date of application.

1.3-5 Licenses shall be issued only to bonafide religious, charitable, labor, fraternal, educational, business or veterans organizations that operate without profit to the members and which have been in existence continuously for a period of five years immediately before making application for a license and which have had during that entire five years a bonafide membership engaged in carrying out their objects, or to a non-profit fundraising organization that the Village determines to be 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.

1.3-6 Licenses issued are subject to the following restrictions:

(A) No person, firm or corporation shall conduct raffles or chances without having first obtained a license therefore pursuant to this Ordinance;

(B) The license and application for license must specify the time period during which raffle chances will be sold or issued, the time determination of winning chances and the location or locations at which winning chances will be determined;

(C) A license application must contain a sworn statement attesting to the not-for-profit character of the prospective license organization, signed by the presiding

officer and the secretary of the organization;

(D) Licenses issued pursuant to this Ordinance shall be valid for one (1) year;

(E) The maximum number of days during which raffle chances may be issued or sold for any one (1) raffle shall be one year.

1.3-7 The following are ineligible for any license under this Ordinance:

(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 firm or corporation in which a person defined in (A), (B), or (C) 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) is an officer, director, or employee, whether compensated or not;

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

1.4 CLASSIFICATION OF LICENSES AND FEES

1.4-1 A Class A license shall authorize the operation of a raffle where the aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle does not exceed \$1,000.00, where the maximum retail value of each prize awarded by a licensee in a single raffle does not exceed \$1,000.00 and where the maximum price charged for each raffle chance issued or sold does not exceed \$5.00.

1.4-2 A Class B license shall authorize the operation of a raffle where either the prize values or the price per chance exceeds the maximums set forth for a Class A license, and where the aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle does not exceed \$20,000.00, where the maximum retail value of each prize awarded by a licensee in a single raffle does not exceed

\$20,000.00 and where the maximum price which may be charged for each raffle chance issued or sold does not exceed \$100.00.

1.4-3 Filing fees for Class A licenses shall be \$_____.

1.4-4 Filing fees for Class B licenses shall be \$_____.

1.4-5 No raffle shall be conducted and no license for such raffle shall be issued within the corporate limits of the Village of Cullom where the prize values or the price per chance exceeds the maximum set herein.

1.4-6 All fees shall be payable at the time the application is filed, and in the event that the application for a license is denied, the fee shall be returned to the applicant by the Village Clerk.

1.5 CONDUCT OF RAFFLES

1.5-1 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 that game;

(B) No person except a bonafide member of the sponsoring organization may participate in the management or operation of the raffle;

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

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

(E) A person under the age of 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 18 years may be within the area where winning chances are being determined only when accompanied by his parent or guardian.

1.6 RAFFLE MANAGER-BOND

1.6-1

(A) All operation of and the conduct of raffles shall be

under the supervision of a single raffle manager designated by the licensed organization.

(B) In the case of Class A and B raffles, the manager shall give a fidelity bond in a sum equal to the aggregate retail value of all prizes of merchandise to be awarded in the raffle, with two (2) sureties thereon who are residents of the State of Illinois, and who are acceptable to the issuing authority, or with solvent surety company licensed to do business in the State of Illinois, in favor of the sponsoring licensee, conditioned upon his honesty and performance of his duties. Terms of the bond shall provide that notice shall be given in writing to the Commission not less than thirty (30) days prior to its cancellation. The issuing authority shall consider the bond and shall have the right to disapprove the bond.

1.6-2 The issuing authority may, in its discretion, waive this bond requirements for Class A and B raffles only subject to the following conditions:

(A) Upon the unanimous vote of the members of the licensed organization that said requirements may be waived;

(B) A written waiver is filed with the application for the licensee;

(C) The license application must contain a sworn statement attesting to the unanimous vote of the members of the licensed organization, signed by the presiding officer and the secretary of said organization.

A license issued to the organizations shall include a provision that the fidelity bond has been waived.

1.7 RECORDS

1.7-1 Each organization licensed to conduct raffles and chances shall keep records of its gross receipts, expenses and net proceeds for each single gathering or occasion at which winning games are determined. All deductions from gross receipts for each single gathering or occasion shall be documented with receipts or other records indicating the amount, 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.

1.7-2 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 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 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.

1.7-3 Each organization licensed to conduct raffles shall report promptly after the conclusion of each raffle to its membership, and proceeds from raffles, and the distribution of net proceeds itemized as required in this section.

1.7-4 Records required by this Article shall be preserved for three (3) years and the organization shall make available their records relating to operations of raffles for public inspection at reasonable times and places.

1.8 ISSUANCE, SUSPENSION AND REVOCATION OF LICENSES

1.8-1 The Raffle Licensing Commission, by a majority vote at a convened meeting, may issue, revoke or suspend any license in accordance with the provisions of this Ordinance or on the basis or provisions of any State of Illinois law pertaining to raffles.

1.8-2 In case of tie vote of the members of the Commission at a convened meeting, the Raffle Licensing Commissioner shall vote to break the tie.

1.8-3 Licenses issued pursuant to this Ordinance may be suspended or revoked for any violation of this Ordinance.

1.8-4 When any licensee shall have its license revoked for any cause, no license shall be granted to said licensee for a period of one (1) year thereafter.

1.9 PENALTIES. Any person or organization violating any provision of this Ordinance shall be fined an amount not to exceed \$500.00, and a separate offense shall be deemed committed each day during or on which the violation occurs or continues.

1.10 LIMITED CONSTRUCTION. Nothing in this Ordinance shall be constructed to authorize the conducting or operating of any

gambling scheme, enterprize, activity or device other than raffles as provided for herein.

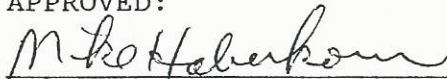
1.11 SEVERABILITY. The Articles, provisions, and sections of this Ordinance shall be deemed to be separable and the invalidity of any portion of this Ordinance shall not affect the validity of the remainder.

1.12 EFFECTIVE DATE

This Ordinance shall take effect and be in full force from and after its adoption as provided by law.

Adopted by the Board of Trustees of the Village of Cullom, Livingston County, Illinois, this 23 day of July, 1996.

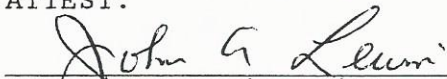
APPROVED:



Mike Haberkorn, President of the Village of Cullom

(AFFIX VILLAGE SEAL)

ATTEST:



John "Al" Lewin, Village Clerk of the Village of Cullom

This instrument prepared by:

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