



Legislation Text

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PRINT ORDINANCE FROM ATTACHMENTS DUE TO SPACING ISSUES

Title

AN ORDINANCE AMENDING TITLE 7 CHAPTER 16 (RAFFLES) OF THE ORLAND VILLAGE CODE

Body

WHEREAS, the Village of Orland Park (“Village”) is a home rule unit of local government as provided by Article VII, Section 7 of the Illinois Constitution of 1970; and

WHEREAS, the President and Board of Trustees of the Village of Orland Park desire to amend the regulations of Chapter 16 (Raffles) of Title 7 (Business Regulations) of the Village Code of the Village of Orland Park (the “Code Amendments”) in order to update regulations involving certain raffles regulation, including the holding of on-line raffles and outsourcing of the operation of such raffles to third-party companies as allowed by the Illinois Raffles and Poker Runs Act (230 ILCS 15/1 et seq.); and

WHEREAS, pursuant to its statutory authority to regulate raffles and the powers available to the Village as a home rule municipality, this Ordinance is adopted pursuant to the above-referenced State laws and the Village’s home rule authority, which authorizes the Village and the State of Illinois to regulate raffles, subject to certain licensing requirements, and to promulgate rules and regulations that protect the public health, safety and welfare of its citizens; and

WHEREAS, pursuant to its authority under Article VII, Section 6(c) of the Illinois Constitution, the Village finds it in the best interest of the Village, Village residents, and the public’s health, safety and welfare to amend the Village Code of the Village of Orland Park to update the requirements imposed on raffle licensees in the Village and to clearly set forth the requirements for the application to operate raffles as well as being those set forth in State and Federal law in determining the qualifications of prospective applicants.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

SECTION 1

The recitals above shall be and are hereby incorporated in this Section 1 as if restated herein.

SECTION 2

Title 7 (Business and License) Chapter 16 (Raffles) of the Orland Park Village Code is hereby amended to read in its entirety as follows:

7-16-1 Definitions

For the purpose of this Ordinance, the following words and phrases shall have the meanings hereby given them:

“BUSINESS” means a voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial and civic interests of the Village.

“CHARITABLE” means 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” means 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” means 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 that otherwise would be cared for by the government.

“KEY LOCATION” means the physical location within the Village’s corporate boundaries where the raffle drawing is conducted.

“LABOR” means 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.

“LAW ENFORCEMENT AGENCY” means an agency of this State or a unit of local government in this State that is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances.

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

“NON-PROFIT” means 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” means a form of lottery, as defined in Section 28-2 (b) of the "Criminal Code of 1961," conducted by an organization licensed under this Ordinance, 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 medium, one or more of which chances is to be designated the winning chance;

(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” means any church, congregation, society, or organization founded for the purpose of religious worship.

“SPONSORING ORGANIZATION” means one of the eligible organizations defined in the Act that may receive a Village-approved raffle license and consisting of: (a) NON PROFIT organizations or institutions, CHARITABLE organizations or institutions, EDUCATIONAL organizations or institutions, RELIGIOUS congregations, societies and organizations, FRATERNAL organizations, VETERANS organizations or associations, and LAW ENFORCEMENT AGENCIES and associations that represent Law Enforcement Agencies.

“THIRD-PARTY RAFFLE OPERATOR / VENDOR” means a person, company, corporation or organization who contracts with and acts at the direction of and under the supervision of the Sponsoring Organization, to provide bona fide services to the Sponsoring Organization in connection with the operation of a raffle and may receive reasonable compensation from the Sponsoring Organization for such services as provided for in the Illinois Raffles Act (See, 230 ILCS 15/4)(a)(2)). Such services include the following: (a) advertising, marketing and promotion, (b) legal, (c) procurement of goods, prizes, wares and merchandise for the purpose of operating the raffle, (d) rent, if the premises upon which the raffle will be held is rented, (e) accounting, auditing and bookkeeping, (f) website hosting, (g) mailing and delivery, (h) banking and payment processing, and (i) other services relating to the operation of the raffle.”

“VETERANS” means 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.

“VILLAGE” means the Village of Orland Park, Cook and Will Counties, Illinois.

7-16-2 Licensing Limitations

Each event at which a raffle or raffles are to be conducted shall have a separate raffle license issued by the Village.

Limitations: The following limitations apply to raffles conducted within the Village

A. LOCATION. Sales of raffle chances shall be only at locations designated in the license application and which are within the borders of the State of Illinois.

B. ELIGIBILITY FOR LICENSE. Licenses shall be issued only to bona fide religious, charitable, labor, business, 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 have had during that entire 5-year period a bona fide membership engaged in carrying out their objectives, or to a non-profit fundraising organization that the Village determines is organized for the sole purpose of providing financial assistance to an identified individual or group suffering extreme financial hardship as the result of an illness, disability, accident or disaster, as well as law enforcement agencies and associations that represent law enforcement officials.

C. DURATION OF LICENSE. Licenses shall permit the applicant to issue or sell raffle chances only for those dates stated in the license application, but in no event shall the period of sales exceed one (1) year.

Each license is valid for not more than one (1) raffle per week during any one (1) year period.

D. MAXIMUM VALUE OF PRIZES.

(1) The aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle shall not exceed ONE HUNDRED THOUSAND (\$100,000.00) DOLLARS. For any raffle that has the potential for jackpots or roll-over jackpots (e.g., Queen of Hearts raffles) to exceed maximum aggregate retail value of all prizes or merchandise awarded restriction, the applicant or the Third-party raffle Operator/ Vendor shall award only a jackpot or jackpots or prizes or merchandise that meets the above dollar amount restriction. The applicant or the Third-party Raffle Operator/ Vendor shall not sell raffle chances in an amount that would cause the jackpot or roll-over jackpot or prizes or merchandise to exceed the above dollar amount restriction.

(2) The retail value of each individual prize awarded by a licensee in a single raffle shall not exceed FIFTY THOUSAND (\$50,000.00) DOLLARS. For any raffle that has the potential for jackpots or roll-over jackpots (e.g., Queen of Hearts raffles) to exceed the maximum retail value of each jackpot, roll-over jackpot or prize awarded restriction, the applicant or the Third-party Raffle Operator/ Vendor shall award only a jackpot, a roll-over jackpot or a prize that meets the above dollar amount restriction. The applicant or the Third-party Raffle Operator/ Vendor shall not sell raffle chances in an amount that would cause the jackpot or roll-over jackpot or prize to exceed the maximum dollar amount restriction.

E. PRICE OF CHANCES. The price charged for each raffle chance sold or issued shall not exceed TWO HUNDRED FIFTY (\$250.00) DOLLARS.

7-16-3 License-Application--Restrictions

A. No person, firm or corporation shall conduct a raffle without having first obtained a license therefor pursuant to this Ordinance.

B. Each application for a licenses shall be in writing upon forms provided by the Village and shall contain, at minimum, the following:

- (1) Name and address of individual making application.
- (2) Name and address of organization applying for a license.
- (3) Approximate number of members of the organization that reside in the Village and the length of existence of the organization.
- (4) Name and address of the raffle manager.
- (5) The location(s) at which raffle chances are to be sold or issued.
- (6) The time period during which raffle chances will be sold or issued.
- (7) The maximum number of raffle chances will be sold or issued.
- (8) The time of determination of winning chances.
- (9) The Key Location at which winning chances will be determined.
- (10) A sworn statement, signed by the presiding officer, and secretary if there is one, of the organization attesting to the not-for profit character of the organization, and attesting to the fact the organization is not otherwise ineligible to receive a license.

(11) If the applicant intends to contract with a Third-party Raffle Operator / Vendor pursuant to Section 3-12-3 (F)(2) of this Code, the pertinent portions of the application shall be completed and also signed by the Third-party Raffle Operator / Vendor, which contains information regarding the role and activities of the Third-party Raffle Operator / Vendor in relative to the raffle. The Third-party Operator / Vendor's name, authorized representative, principal place of business, and contact information shall be

disclosed.

(12) The application shall also contain sworn statements to be signed by the presiding officer and the secretary (if any) of the applicant and an authorized representative of the Third-party Raffle Operator / Vendor (if any) that certify the applicant and the Third-party Raffle Operator / Vendor agree to comply with all applicable statutes, ordinances, Village Code provisions and regulations regarding the conduct of raffles.

(13) The application completed by the applicant and the Third-party Operator / Vendor (if any) shall be on a form prepared by the Village in accordance with this section.

The raffle application forms may be amended from time to time by the Village Manager of the Village or the Village Manager's designee.

C. Each application for a license shall be accompanied by payment of a license fee TEN (\$10.00) DOLLARS.

D. The Village Board hereby delegates the authority to approve or to deny an application to conduct a raffle to the Village Manager of the Village or to the Village Manager's designee.

7-16-4 Ineligibility

The following are ineligible for any license under this ordinance:

- (1) Any person who has been convicted of a felony;
- (2) Any person who is or has been a professional gambler or gambling promoter;
- (3) Any person who is not of good moral character;
- (4) Any firm or corporation in which a person defined in (1), (2) or (3) has a proprietary, equitable or credit interest or in which such a person is active or employed;
- (5) Any organization in which a person defined in (1), (2) or (3) is an officer, director, or employee, whether compensated or not;
- (6) Any organization in which a person defined in (1), (2) or (3) is to participate in the management or operation of a raffle.

7-16-5 Conduct of Raffles

The conducting of raffles is subject to the following restrictions:

- (1) The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the organization permitted to conduct that game.
- (2) No person except a bona fide member of the Sponsoring Organization may participate in the management or operation of the raffle, provided however that Sponsoring Organizations may contract with third parties (i.e., a Third-party Operator / Vendor) 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. Such services include the following: (a) advertising, marketing, and promotion, (b) legal, (c) procurement of goods, prizes, wares and merchandise for the purpose of operating the raffle, (d) rent, if the premises upon which the raffle will be held is rented, (e) accounting, auditing and bookkeeping, (f) website hosting, (g) mailing and delivery, (h) banking and payment processing, and (i) other services relating to the operation of the raffle.
- (3) No person may receive any remuneration or profit for participating in the management or operation of the raffle, except for a Third-party Operator / Vendor as provided herein.
- (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 Ordinance.

(5) Raffle chances may be sold or issued only within the State of Illinois and only at the locations specified on the license, and winning chances may be determined only at the Key Location(s) specified on the license.

(6) 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/her parent or guardian.

7-16-6 Records and Reports

(1) 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 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.

(2) Gross receipts from the operation of raffles 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 should have separate records for its raffles. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles should not be the same person who accounts for other revenues of the organization.

(3) Each organization licensed to conduct raffles shall report monthly to its membership, and to the Village its gross receipts, expenses and net proceeds from raffles, and the distribution of net proceeds itemized as required by this Section.

(4) Records required by this Section shall be preserved for three (3) years, and organizations shall make available for public inspection at reasonable times and places their records relating to operation of raffles.

7-16-7 Raffles Manager Bond

All operation of and the conduct of raffles shall be under the supervision of a single raffles manager designated by the organization, including supervision of any Third-party Operator / Vendor. The manager shall give a fidelity bond in an amount determined by the licensing authority in favor of the organization conditioned upon his honesty in the performance of his duties. Terms of the bond shall provide that notice shall be given in writing to the licensing authority not less than 30 days prior to its cancellation. The Village Board of Trustees may waive this bond requirement by including a waiver provision in the license issued to an organization under this Act, provided that a license containing such waiver provision shall be granted only by unanimous vote of the members of the licensed organization.

7-16-8 Political Committees

Any Political Committee shall obtain a license from the Illinois State Board of Elections and fully comply with 230 ILCS 15/8.1 of the Illinois Raffles and Poker Runs Act as well as comply with all of the requirements of this Chapter 16 of Title 7 of the Village Code.

7-16-9 Penalty

Any person, firm, corporation or entity who violates, disobeys, omits, neglects, refuses to comply with or who resists enforcement of any of the provisions of this Chapter, shall upon conviction be fined according to the fine schedule located in [Appendix B](#) for each offense.

SECTION 3

To the extent necessary, all tables of content, indexes, headings and internal references or cross-references to sections contained in the Village Code of the Village of Orland Park shall be amended by the Village's codifier so as to be consistent with the amendments set forth in this Ordinance.

SECTION 4

All ordinances, or parts of ordinances, in conflict with the provisions of this Ordinance, to the extent of such conflict, are repealed.

SECTION 5

Each section, paragraph, clause and provision of this Ordinance is separable and if any provision is held unconstitutional or invalid for any reason, such decision shall neither affect the remainder of this Ordinance, nor any part thereof, other than that part affected by such decision.

SECTION 6

Except as to the Code provision set forth above in this Ordinance, all Chapters and Sections of the Village Code of the Village of Orland Park, as amended, shall remain in full force and effect.

SECTION 7

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