

**TITLE X: BUSINESS REGULATIONS - CONTINUED****CHAPTER 104: RAFFLES**

**104-1: DEFINITIONS.** As used in this Article, unless the context otherwise required:

(A) **“Raffle”** shall mean a form of lottery (as defined in 720 ILCS 5/28-2(b)) conducted by an organization licensed under the Code whereby:

(1) A player pays or agrees to pay something of value for a chance, represented and differentiated by a number or a combination of numbers designating the winning change;

(2) The winning chance is to be determined through a drawing or by some other method 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 held sporting contest.

(B) **“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 thereof.

**104-2: LICENSES AND APPLICATIONS.**

(A) No organizations shall operate a raffle in the City of Red Bud without first complying with all regulations of this Chapter and obtaining a license therefore.

(1) Licenses shall be issued in the same manner and by the same authority as provided for in accordance with 230 ILCS 15/2.

(2) Where the provisions of this Section or of 230 ILCS 15/1, et seq., requires supplemental information, limitations, or otherwise conflict with the Business Code requirements, then the express provisions of this Section and Chapter 230 ILCS 15/1, et seq shall control over the general requirements of the Business Code.

(B) Licenses shall be issued only to bonafide religious, charitable, labor, business, fraternal, educational or veterans' organizations (as those terms are defined in 230 ILCS 15/2(b)) that operate without profit to their members and which have immediately before making application for a license and which have had during that entire five (5) year period a bonafide membership engaged in carrying out their objectives.

(C) The license application must contain a sworn statement attesting to the not-for-profit character of the prospective licensed organization, signed by the presiding officer and the secretary of that organization.

**104-3: LIMITATIONS.**

(A) The retail value of all prizes or merchandise awarded in a single raffle shall be unlimited.

(B) The retail value of each prize in a single raffle shall be unlimited.

(C) The maximum price which may be charged for each raffle ticket shall not exceed Five Hundred Dollars (\$500.00).

(D) The maximum number of days during which chances may be issued or sold for each raffle shall not exceed one (1) year.

**104-4: 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 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 the management or operation of the raffle.

(D) 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 Code.

(E) 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.

(F) No person under the age of eighteen (18) years may participate in the conducting of 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.

**104-5: RAFFLE MANAGERS AND BONDS.** All operations of and the conduct of raffles within the City shall be under the supervision of a single raffles manager designated by the organization. The manager shall give a fidelity bond in the sum of an amount determined by the City 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 City not less than thirty (30) days prior to its cancellation. The City Council may waive this bond requirement by including a waiver provisions in the license issued to an organization under this Article, provided that a license containing such waiver provisions shall be granted only by unanimous vote of the members of the licensed organization.

**104-6: RECORDS.**

(A) Each organization shall keep records of its gross receipts, expenses and net proceeds for each single occasion at which winning chances are determined. All deductions from gross receipts for each single 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. The distribution of net proceeds shall be itemized as to payee, purpose, amount and date of payment.

(B) Each organization shall have separate records of each raffle conducted. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles on behalf of such organization shall not be the same person who accounts for other revenues of the organization.

(C) Each organization licensed to conduct raffles shall report monthly to its membership and to the City its gross receipts, expenses and net proceeds from raffles and the distribution of net proceeds itemized. This report shall be submitted to the City Clerk's Office on the first (1st) of each month.

**104-7: INELIGIBILITY.** The following are ineligible for any license under this Article:

- (A) Any person who has been convicted of a felony; or
- (B) Any person who is or who has been a professional gambler or gambling promoter; or
- (C) Any person who is not of good moral character; or
- (D) Any firm or corporation in which a person defined as (A), (B) or (C) has a proprietary, equitable or credit interest, or in which such a person is active or employed; or
- (E) Any organization in which a person defined in (A), (B) or (C) is an officer, director, or employee, whether compensated or not; or
- (F) Any organization in which a person defined in (A), (B) or (C) is to participate in the management or operation of a raffle as defined in this Act.

**104-8: APPLICATION AND FILING FEE.** A raffle license may be applied for at any time, and upon approval by the Mayor, a license shall be issued. The Mayor may also choose to submit an application for approval by a majority of the City Council holding office. Each raffle license shall be valid from date of issuance until April 30 of each year. Renewal of raffle licenses shall be applied for on or before April 1 of each year and then valid from May 1 to April 30th of the following year. A One Dollar (\$1.00) license fee shall accompany each application along with a One Thousand Dollar (\$1,000.00) fidelity bond unless waived.

**104-9: SALE OF RAFFLE CHANCES AT LICENSED LIQUOR ESTABLISHMENTS BY PERMIT.**

- (A) All licensed liquor establishments may sell raffle chances, on behalf of any person or entity licensed by the City to conduct raffles, including themselves, but only by permit received from the Liquor Commissioner.
- (B) Application for said permit shall be on a form approved by the Liquor Commissioner. A fee of One Dollar (\$1.00) is required and the permit is valid for one (1) year from date of issuance.
- (C) The permit must be prominently displayed in the licensed liquor establishment.

**104-10 to 104-11: RESERVED.**