ORDINANCE NO. 19 - 18

AN ORDINANCE AMENDING TITLE IX, ARTICLE 29 OF THE HARWOOD HEIGHTS VILLAGE CODE TO MODIFY THE VILLAGE’S RAFFLES REGULATIONS CONSISTENT WITH THE AMENDED RAFFLES AND POKER RUNS ACT

Passed by the Board of Trustees, October 10, 2019

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By Authority of the Village Board of Trustees

VILLAGE OF HARWOOD HEIGHTS
COOK COUNTY, ILLINOIS

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I hereby certify that this document was properly published on the date stated above.

Village Clerk
ORDINANCE NO. 19 - 18

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HARWOOD HEIGHTS VILLAGE CODE TO MODIFY THE VILLAGE'S
RAFFLES REGULATIONS CONSISTENT WITH THE AMENDED RAFFLES AND
POKER RUNS ACT

WHEREAS, the Village of Harwood Heights (the "Village") is an Illinois municipal
corporation organized and operating pursuant to authority granted by the Constitution and Laws
of the State of Illinois;

WHEREAS, the Village is a home rule unit of government pursuant to Section 6(a),
Article VII of the 1970 Illinois Constitution; and

WHEREAS, pursuant to its home rule power, the Village may exercise any power and
perform any function relating to its government and affairs; and

WHEREAS, the Village is authorized under the Illinois Municipal Code to prohibit
gambling as defined by the State of Illinois but permit, regulate and license raffles as authorized
by and in accordance with the Raffles and Poker Runs Act, 230 ILCS 15/0.01 et seq. (the “Act”);
and

WHEREAS, pursuant to the Act, the Village licenses organizations operating raffles
within the Village; and

WHEREAS, on July 19, 2019, Illinois’ Governor signed Public Act 101-109 (the
“Amendment”) into law; and

WHEREAS, the Amendment modifies the provisions of the Act; and

WHEREAS, the Village President and Board of Trustees (cumulatively, the “Corporate
Authorities”) of the Village find it to be in the public interest to amend Title 4 (“Business Licenses
and Regulations”), Chapter 4.28 (“Other Businesses”), Article 29 (“Raffles and Chances”) of the
Harwood Heights Village Code of Ordinances as set forth in this Ordinance to ensure consistency
between the Village’s raffle regulations and those contained in the recently-amended Raffles and Poker Runs Act.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Harwood Heights, County of Cook, Illinois, in the exercise of the Village’s home rule powers, that the Village Code be amended as follows, with all existing provisions of the Village Code not set forth below continuing in full effect as currently written:

SECTION 1. RECITALS. The foregoing recitals shall be and are hereby incorporated into and made a part of this Ordinance as if fully set forth in this Section 1. The findings and recitals herein are declared to be prima facie evidence of the law of the Village and shall be received in evidence as provided by the Illinois Compiled Statutes and the courts of the State of Illinois.

SECTION 2. AMENDMENT TO TITLE 4, CHAPTER 4.28, ARTICLE 29. Title 4 (“Business Licenses and Regulations”), Chapter 4.28 (“Other Businesses”), Article 29 (“Raffles and Chances”) of the Harwood Heights Village Code of Ordinances is hereby amended as follows (additions in **bold and underline**, deletions in **bold and strikethrough**), with those subsections not referenced herein continuing in full force and effect as written:

Title 4. Business Licenses and Regulations

...  

Chapter 4.28 (“Other Businesses”)

...  

Article 29. - Raffles and Chances
4.28.1465 – Definitions. For the purpose of Title 4 and Article 29, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

ACT – Raffles and Poker Runs Act, 230 ILCS 15/0.01 et seq.

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

CHARITABLE ORGANIZATION- 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 ORGANIZATION - 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 ORGANIZATION - 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 - The location where the winning chances in a raffle are determined.

LAW ENFORCEMENT AGENCY – An Illinois agency or Illinois unit of local government that is vested by law or ordinance with the duty to maintain public order and to enforce criminal laws or ordinances.

LABOR ORGANIZATION - 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 - An organization which has been issued a license by the Village to operate a Raffle.

LOTTERY — Any scheme or procedure whereby one or more prizes are distributed by chance among persons who have paid or promised consideration for a chance to win such prizes, whether such scheme or procedure is called a lottery, raffle, gift, sale, or some other name.

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 - 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.

PERSON – A natural individual, firm, trust, estate, partnership, association, joint venture, corporation, limited liability company, organization, unincorporated association, the Federal and State governments, including State universities created by statute, political subdivision of this State, federal instrumentality or other governmental entity.

POLITICAL COMMITTEE - A “political committee” as that term is defined in the Illinois Election Code, 10 ILCS 5/9-1.8.

RAFFLE - means a form of lottery, as defined in subsection (b) of Section 28-2 of the Criminal Code of 2012, conducted by an organization licensed under the Raffles and Poker Runs Act, 230 ILCS 15/0.01, in which:

1. The player pays or agrees to pay for 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; and

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

VETERANS ORGANIZATION - 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.

4.28.1470 - Raffles and chances license.

A. There is established a raffles and chances license which license shall be issued only to bona fide religious, charitable, labor, business, fraternal, educational, or veterans', or other bona fide not-for-profit organizations that operate without profit to their members and which have been in existence continuously for a period of five years immediately before making application for license as provided for in this article and which have had during the entire five-year period been engaged in carrying out their objects, 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 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 a bona fide membership engaged in carrying out their objectives and who have
completed with the provisions of this article and the provisions of the Act, ILCS CH.230, Act 15 et seq.

B. No Person shall conduct a Raffle in which the winning chances for the Raffle are determined within the Village unless such Raffle is licensed by the Village in accordance with the rules and regulations described in this Article.

B. Licenses issued pursuant to this article shall be valid for one raffle only and may be suspended or revoked by the Village for any violation of this article or the provisions of the Act, ILCS CH.230, Act 15 et seq. Notwithstanding the foregoing, multiple licenses may be issued for multiple raffles to a licensee.

C.D. The president and board of trustees of the Village shall act upon any application for license submitted to them pursuant to the provisions of this article within thirty (30) days from the date the application shall have been filed with the Village clerk.

4.28.1480 - License restrictions.

A license issued pursuant to the provisions of this article shall be subject to the following restrictions:

A. No Person person, firm, or corporation shall conduct a raffle governed by the provisions of this article without first having obtained a license therefore as provided for in this article.

B. An application for the raffle or chance license must contain a sworn statement attesting to the not-for-profit character of the prospective licensee organization and must be signed by the presiding officer and/or chairperson of that organization.

C.B. Only people eighteen (18) or older can buy raffle tickets and records must be kept by the sponsoring organization, provided, however, that a person under the age of 18 years may participate in the conducting of raffles 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 in a raffle are being determined only when accompanied by a parent or guardian.

C. The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the licensee permitted to conduct that game.

D. No person except a bona fide director, officer, employee or member of the licensee organization may participate in the management or operation 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. 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.

E. No person may receive any remunerations or profits for participation in the management or operation of the raffle.

F. A licensee may rent a premises on which to determine the winning chance or chances in a raffle provided that the rent is not determined as a percentage of receipts or profits from the raffle only from an organization which is also licensed under the Act.

G. Raffle chances may be sold or issued throughout the State, including beyond the borders of the Village, but winning chances may be determined only at those locations specified in the Village-issued raffle license.

H. The aggregate retail value of all prizes or merchandise awarded by a licensee in a single raffle, shall not exceed $1,000,000.

I. The maximum retail value of each prize awarded by a licensee in a single raffle shall not exceed $1,000,000.

J. The maximum number of days during which chances may be issued or sold, shall not exceed 365 prior to the awarding of a prize.

K. The license shall not be valid for more than 365 days.

4.28.1490 - Denial of license.

The following are ineligible for any license issued pursuant to this article:

A. Any person who has been convicted of a felony, provided, however, that a felony conviction shall only be disqualifying if the Village President and Village Board of Trustees concludes, in the exercise of their sole discretion, that said conviction will impair the person’s ability to engage in the licensed position, taking into account evidence of rehabilitation and mitigating factors including, without limitation, the factors listed in Section 3.1(b) of the Act, as amended from time to time;

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 firm or corporation organization in which a person defined in subsection A, B or C of this section has a proprietary, equitable or credit interest, or in which such person is active or employed;

E. Any firm or corporation organization in which a person defined in subsection A, B or C of this section is an officer, director, or employee, whether compensated or not;

F. Any organization in which a person defined in subsection A, B or C of this section is to participate in the management or operation of the raffle for which the license is being sought.
G. Any Person presently indebted to the Village of Harwood Heights.

The license applicant shall have the opportunity for a hearing before the president and the board of trustees, to be held not less than five (5) days after notice of the time and place of the hearing addressed to him or her at his or her last known place of business, has been mailed, to show cause why his or her license application should not be denied.

4.28.1491 - Application.

A. Application forms shall be furnished by and filed with the Village Clerk. Said applications shall be accompanied by the payment of a Twenty Dollar ($20.00) fee for each license requested and shall contain the following:

(1) The name and address of the applicant;

(2) The date(s), time(s) and location(s) at which winning chances will be determined;

(3) Place and date of chartering or incorporation of applicant if applicable;

(4) Name (first, middle and last) of presiding officer (if any) and raffle manager or applicant;

(5) A list of prizes to be awarded; and

(6) Authorization to conduct a background check on the presiding officer and raffle manager or applicant and to utilize fingerprints in order to facilitate said check.

(7) The license application shall contain a sworn statement attesting to the accuracy of the information provided and to the not-for-profit character of the prospective licensee. Said statement shall be signed by the presiding officer of the applicant organization.

B. After receipt of an application for any license, the Village President, or his or her designee, shall cause an investigation to be made: (i) to secure information as to the applicant's character, (ii) to ascertain whether the applicant has complied with all of the requirements of all applicable laws, ordinances, and regulations, (iii) to ascertain whether the raffle will be operated or conducted properly or has been the subject of past complaints or otherwise has been operated or conducted in a manner substantially adverse to the best interests of the Village, or the Village's residents, or the raffle participants, and (iv) whether applicant is indebted to the Village.
C. The Village President, or his or her designee, shall, within thirty (30) days after receipt of a complete application to conduct a raffle as provided for herein, shall evaluate and either approve or disapprove said application. If the investigation does not reveal any information that would preclude the issuance of the license, the Village President, or his or her designee, shall issue the license thereafter. Any failure of the Village President or his or her designee to act within said thirty (30) day period shall be deemed to be a decision disapproving the application.

D. If an applicant’s raffle license application is denied, the license applicant shall be given written notice and have the opportunity for a hearing before the president and the board of trustees, to be held not less than five (5) days after notice of the time and place of the hearing addressed to him or her at his or her last known place of business, has been mailed, to show cause why his or her license application should not have been denied. The written decision of the Village President and Board of Trustees on appeal following said hearing shall be a final decision pursuant to the Administrative Review Act.

4.28.1492 - Manager; bond.

A. All management, operation, and conduct of raffles shall be under the supervision of a single manager as designated on the license application.

B. A manager shall give a fidelity bond in the sum of $100 in favor of the licensee conditioned upon the raffle manager’s honesty in the performance of his duties. Said bond shall provide that notice shall be given in writing to the Village not less than 30 days prior to its cancellation period. The Village Board may waive this bond requirement provided that such waiver is consented to by an affirmative vote of the requisite number of members of the licensed organization or, if the organization does not have members, of members of the governing board of the organization, to constitute an affirmative action of the organization.

4.28.1493 - Records.

A. Gross receipts from the operation of raffle programs shall be segregated from other revenues of the licensee; (including bingo gross receipts, if bingo games are also conducted by the same licensee pursuant to license 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 and expenses from the operation of raffles shall not be the same person who accounts for other revenues of the organization.

B. Each licensee shall keep records of gross receipts, expenses, and net proceeds for each single raffle at which winning chances in a raffle or winning hands or scores in a poker run are determined. All reasonable operating expenses deducted from gross receipts for each single raffle shall be documented with receipts or other records indicating the amount, a description of the purchased
items or service or other reason for deduction, and the recipient. The distribution of net proceeds shall be itemized as to payee, purpose amount, and date of payment.

C. Each licensee, within 30 days of the conclusion of the raffle, shall report to its membership and to the Village President each of the following:

1. Gross receipts generated by the conducting of the raffle;

2. An itemized list of all reasonable operating expenses which have been deducted from the gross receipts;

3. Net proceeds from the conducting of the raffle;

4. An itemized list of the distribution of the net proceeds; and

5. A list of prize winners.

Records required by this section shall be preserved for three years, and the organization shall make available for public inspection their records relating to the operation of a raffle at reasonable times and places.

4.28.1494 - Penalties.

A. Any person conducting a raffle in violation of this Section or in violation of provisions of the Act, shall be issued a citation for such violation. If such person is found liable for the ticketed violation, such person may be fined an amount up to $750.00 for each violation. Each day that a violation continues shall be considered a separate offense, punishable, by a fine up to $750.00 per day.

B. The President may, upon notice to the licensee and an opportunity for a hearing before the Village Board, revoke or suspend any license for any violation of this Article or the Act.

C. Abatement. The imposition of the penalties herein prescribed shall not preclude the Village or the State's Attorney from instituting appropriate action to prevent unlawful raffles or to restrain, correct, or abate a violation of this Article or the Act or of the conditions of a raffle license issued pursuant to this Article.

SECTION 3. RESOLUTION OF CONFLICTS.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.
SECTION 4. SAVING CLAUSE.
If any section, paragraph, clause, or provision of this Ordinance shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Ordinance, which are hereby declared to be separable.

SECTION 5. EFFECTIVE DATE. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

VOTES
AYES: Trustee Schuepfer, Steiner, Brzezniak-Volpe, Brzozowski-Wegrécki, Zerillo, Lewandowski

NAYS:

ABSENT:

ABSTAIN:

Passed and Approved this 10th day of October, 2019.

Mayor Arlene Jezierny

ATTEST:

Marcia L. Pollowy, Village Clerk
STATE OF ILLINOIS
COUNTY OF COOK

CERTIFICATION

I, Marcia L. Pollowy, do hereby certify that I am the duly elected and acting Clerk of the Village of Harwood Heights, County of Cook, State of Illinois.

I do further certify that the foregoing Ordinance 19-18 entitled:

AN ORDINANCE AMENDING TITLE IX, ARTICLE 29 OF THE HARWOOD HEIGHTS VILLAGE CODE TO MODIFY THE VILLAGE’S RAFFLES REGULATIONS CONSISTENT WITH THE AMENDED RAFFLES AND POKER RUNS ACT

Is true and correct copy of an Ordinance adopted by the Board of Trustees of the Village of Harwood Heights at a meeting held on the 10th day of October, 2019.

I do further certify that the original of which the foregoing is a true copy is entrusted to my care and safekeeping, and that I am keeper of the same.

I do further certify that I am the keeper of the records, ordinances, and resolutions of said Village of Harwood Heights, Cook County, Illinois.

In witness whereof I have hereunto set my official hand and seal this 11th day of October, 2019.

Marcia L. Pollowy
Village Clerk