

VILLAGE OF RINGWOOD
ORDINANCE NO. 2023 - 11-20

**AN ORDINANCE ESTABLISHING A SYSTEM FOR THE LICENSING OF
ORGANIZATIONS TO OPERATE RAFFLES**

WHEREAS, the Village of Ringwood (“Village”), McHenry County, Illinois, is a non-home rule municipality as contemplated by the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village’s powers and functions as granted in the Constitution of the State of Illinois and applicable statutes; and

WHEREAS, the Village has the authority pursuant the Illinois Raffles Act (230 ILCS 15.01 *et. seq.*) to establish a system for the licensing of organizations to operate raffles;

WHEREAS, the Village finds it beneficial to its residents to establish a system to issue licenses for raffles;

NOW THEREFORE, be it ordained by the President and Board of Trustees of the Village of Ringwood, Illinois, as follows:

SECTION 1: DEFINITIONS: For purposes of this Ordinance, the following definitions apply:

- A. 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.
- B. 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.
- C. Fraternal: 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.
- D. Labor: 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.
- E. Non-profit: An organization or institution organized and conducted on a not-for-profit basis with no personal profit inuring to any one as a result of the operation.
- F. Raffle: A form of lottery, as defined in subsection (b) of Section 28-21 of the Criminal Code of 2012, conducted by an organization licensed under this Act, 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; 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
- G. Religious: Any church, congregation, society, or organization founded for the purpose of religious worship.
- H. 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.

SECTION 1: LICENSE REQUIRED: It shall be unlawful for any organization to conduct raffles or chances within the Village unless the organization has a valid license issued in accordance with the provisions of this Ordinance.

SECTION 2: ELIGIBLE LICENSEES: Licenses shall be issued only to (1) to bona fide religious, charitable, labor, business, fraternal, educational, 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 5 years immediately before making application for a raffle license and which have during that entire 5-year period been engaged in carrying out their objects, (2) to a non-profit fundraising organization that the licensing authority 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, (3) to any law enforcement agencies and associations that represent law enforcement officials, or (4) to any fire protection agencies and associations that represent fire protection officials.

SECTION 3: RESTRICTION ON ISSUANCE OF LICENSES: No such license shall be issued to:

- A. A person who has been convicted of a felony;
- B. Any person who is or has been a professional gambler or gambling promoter.
- C. A person who is not of good moral character;
- D. A person whose license issued under this chapter has been revoked for cause;
- E. A person who, at the time of application for renewal of any license issued hereunder would not be eligible for such license upon a first application;
- F. Any firm or corporation 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 a person is active or employed;
- G. Any 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; or
- H. 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 a raffle, as defined in this chapter.

SECTION 4: CONDUCT OF RAFFLES: Raffles shall be conducted consistent with the following:

- A. **Maximum Aggregate Retail Value:** The maximum aggregate retail value of all prizes awarded in a single raffle is \$2,000,000;
- B. **Maximum Retail Value of Each Prize:** The maximum value of each prize awarded by a single raffle is \$2,000.000;
- C. **Maximum Price:** The maximum price which may be charged for each raffle chance issued or sold shall be \$100.00.
- D. **Maximum Days:** The maximum number of days during which chances may be issued is 730.
- E. **Proceeds Devoted to Lawful Purpose:** The entire net proceeds of any raffle must be exclusively devoted to the lawful purposes of the organization permitted to conduct that game;
- F. **Management Participation:** No person except a bona fide director, officer, employee or member of the sponsoring organization may participate in the management or operation

of the raffle;

- G. Remuneration, Profit: No person may receive any remuneration or profit for managing or participating in the management of the raffle;
- H. Age Limitation: No person under the age of 18 years may purchase a raffle ticket or participate in the conducting of a raffle;
- I. Renting of Premises: A licensee may rent a premises on which to determine the winners of a raffle, so long as it is not based on a percentage of the receipts or profits from the raffle;
- J. Contracting With Third Parties: A licensee 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 (not management) of a raffle and may pay reasonable compensation for such services, so long as that compensation is not based on a percentage of the receipts or profits from the raffle.
- K. Notice To Terminate: In the event that the Village determines that a proposed raffle is adversely impacting the Village or the safety of the community due to size, traffic, security or other reasons, a notice may be issued requiring the game be brought to an end within 7 days.

SECTION 5: RECORDS TO BE MAINTAINED: Each licensee shall comply with the following regarding maintaining records and reports:

- A. 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 for 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.
- B. Gross receipts from the operation of raffles programs shall be segregated from other revenues of the organization. The person who accounts for other revenues of the organization shall not account for the revenue generated by the raffle.
- C. Each licensee shall report at the conclusion of the raffle, 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 in this section. Failure to provide this information will prohibit the organization's ability to obtain future raffle licenses;
- D. Records required by this section shall be preserved for three years, and organizations shall make available their records relating to operation of raffles for public inspection at reasonable times and places.

SECTION 6: PENALTY: Any organization, raffle manager or any other individuals directly involved in the administration of the raffle who violates any provision of this ordinance shall be fined not less than \$100.00 for each offense, with each improperly sold raffle ticket constituting a separate offence.

SECTION 7: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 8: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 9: This Ordinance shall be in full force and effect upon its passage, approval and

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publication in pamphlet form (which publication is hereby authorized) as provided by law.

APPROVED THIS 20th day of November, 2023.

Voting Aye: Reinwall, Herdus, Robel, Morgan, Meyer

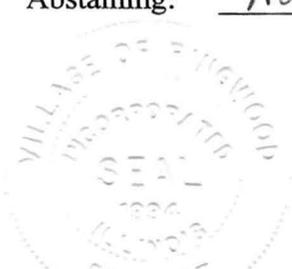
Voting Nay: None

Absent: Hewe

Abstaining: None

APPROVED:

Rick Mack
President Rick Mack



(SEAL)
ATTEST: Village Clerk Sue Keener
Village Clerk Sue Keener



Passed: _____

Approved: _____

Published: _____