



DeKalb County Raffle and Poker Run Ordinance

I. TITLE

This chapter shall be known, cited and referred to as the “DeKalb County Raffle and Poker Run Ordinance”.

II. PURPOSE

The purpose of this ordinance is to regulate and control the conduct of raffles and poker runs within the unincorporated areas of the county and within the corporate limits of any municipality that is a party to any intergovernmental cooperation agreement for raffle and poker run licenses with the county. The DeKalb County Clerk is charged with the administration of the DeKalb County Raffle and Poker Run ordinance.

III. DEFINITIONS

In the construction of this ordinance, the definitions hereunder shall be observed and applied.

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

B. “Charitable Organization” is 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 upon the public.

C. “Educational Organization” is 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.

D. “Fraternal Organization” is 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 who otherwise would be cared for by the government.

E. “Hardship” is a situation in which an organization that has not been in existence continuously for a period of five (5) years immediately before making application for a license organizes 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.

F. “Key Location” means:

1. For a poker run, the location where the poker run concludes and the prizes are awarded.
2. For a raffle, the location where the winning chances in the raffle are determined.

G. “Labor Organization” is 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.

H. "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.

I. "Licensee" is an organization which has been issued a license to operate a raffle or poker run.

J. "Net Proceeds" means the gross receipts from the conduct of raffles or poker runs, less reasonable sums expended for prizes, local license fees and other operating expenses incurred as a result of operating a raffle or poker run.

K. "Non-Profit" means organized, operated and conducted on a not-for-profit basis without personal profit to individual(s) or the organization.

L. "Person" means an individual, firm, organization, public or private corporation, government, partnership or unincorporated association.

M. "Poker Run" means a prize-awarding event organized by an organization licensed under the Raffles and Pokers Runs Act (230 ILCS 15) in which participants travel to multiple predetermined locations, including a key location, to play a randomized game based on an element of chance. "Poker run" includes dice runs, marble runs or other events where the objective is to build the best hand or highest score by obtaining an item at each location.

N. "Raffle"

1. "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, in which:

- a. 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 as the winning chance; and
- b. 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.

2. Pursuant to state law, "raffle" does not include any game designated to simulate:

- a. Gambling games as defined in the Riverboat Gambling Act
- b. Any casino game approved for play by the Illinois Gaming Board
- c. Any games provided by a video gaming terminal, as defined in the Video Gaming Act, or
- d. Savings promotion raffle authorized under Section 5g of the Illinois Banking Act, Section 7008 of the Savings Bank Act, Section 42.7 of the Illinois Credit Union Act, Section 5136B of the National Bank Act, or Section 4 of the Home Owner's Loan Act

O. "Religious Organization" is any church, congregation, society or organization founded for the purpose of religious worship.

P. "Veterans Organization" is any 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.

IV. LICENSE REQUIREMENTS

A. Any person seeking to conduct or operate a raffle or poker run as outlined in this ordinance shall submit a Raffle / Poker Run Application using the form provided by the DeKalb County Clerk. Applications must be submitted to the DeKalb County Clerk at least five (5) days prior to conducting a raffle or poker run and prior to selling tickets or chances for a raffle. The fee for the license is \$10 for classes A, B, C and E. The fee for a class D license is \$50. Completion of an application does not guarantee approval or issuance of a raffle / poker run license.

B. It shall be unlawful for any person, firm, business, corporation, organization or other entity to conduct or operate a poker run or raffle, or to sell, offer for sale, convey, issue or otherwise transfer for value, tickets or a chance on a raffle unless conducted pursuant to terms outlined on a raffle or poker run license duly issued by the County of DeKalb or other applicable key location licensing authority and in accordance with the provisions of this ordinance and the Raffles and Poker Runs Act. A raffle or poker run license shall be valid for the period outlined on the license and shall not be valid for more than twelve (12) months.

C. Raffle and poker run licenses shall be issued only to bona fide business, religious, charitable, labor, 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 five (5) years or more immediately before applying for a license and which have during that entire five (5) year period been engaged in carrying out their objectives, or to an organization that the DeKalb County Clerk determines is organized for the sole purpose of providing financial assistance to an identified individual or group of individuals suffering extreme financial hardship as a result of an illness, disability, accident or disaster, or to any law enforcement agencies and associations that represent law enforcement officials. The DeKalb County Raffle/Poker Run Application includes a sworn statement attesting to the not-for-profit character of the prospective licensee organization that must be signed by the presiding officer and secretary of that organization. The organization must specify on the application the key location(s), the time period during which raffle chances will be sold or issued or a poker run will be conducted and the time or times of determination of winning chances.

D. The following groups or individuals are ineligible for any license under this ordinance:

1. Any person whose felony conviction will impair the person's ability to engage in the licensed position;
2. Any person who is or has been a professional gambler or professional gambling promoter;
3. Any person who is not of good moral character;
4. Any organization in which a person defined in 1, 2 or 3 (above) 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 (above) is an officer, director, or employee, whether compensated or not; and
6. Any organization in which a person defined in 1, 2 or 3 (above) is to participate in the management or operation of a raffle or poker run as defined in this ordinance.

E. The DeKalb County Clerk may waive the five (5) year requirement for bona fide business, religious, charitable, labor, fraternal, educational or veterans organizations that apply for a license to conduct a raffle or poker run if the organization has identified and maintains a valid non-profit certification from the Internal Revenue Service, or if the organization is a local organization that is affiliated with and chartered by a national or state organization that meets the five (5) year requirement. A current copy of the organization's constitution, by-laws or other documentation must be included with the Raffle / Poker Run Application at the time of submission. Other bona fide not-for-profit organizations not specified in this section are not eligible for a waiver.

F. Political Committees seeking a license for raffle purposes should refer to 230 ILCS 15/8.1 and 26 Ill. Admin. Code 210.10 for application requirements.

G. All management, operation and conduct of raffles and poker runs shall be under the supervision of a single manager designated by the licensee. The manager shall give a fidelity bond in an amount equal to the aggregate retail value of all prizes to be awarded in the raffle(s)/poker run. If the retail value of all prizes to be awarded is \$5,000.00 or more, a corporate surety bond is required. The terms of the bond shall provide that notice shall be given in writing to the DeKalb County Clerk not less than 30 days prior to its cancellation.

H. Organizations conducting a raffle may request a bond waiver from the DeKalb County Clerk following an affirmative vote of the requisite number of members of the licensed organization, or if the licensed organization does not have members, of members of the governing board of the organization. This bond provision does not apply to poker runs.

V. LICENSE ISSUANCE

The DeKalb County Clerk shall review all raffle and poker run applications and shall, within 30 days from the date of application, approve or deny the request for license. An organization may appeal license decisions in writing within ten (10) business days of decision by submitting notice of appeal to the county board office. If the application is approved, the DeKalb County Clerk shall issue the raffle or poker run license according to the following classification structure:

A. Class A – General Raffle License (\$10 Fee) - A general raffle license shall permit an organization the ability to conduct a raffle with a maximum single cash prize or the maximum retail value of a single non-cash prize not exceeding \$25,000.00, and an aggregate maximum value of all cash and non-cash prizes awarded not exceeding \$50,000.00. Multiple drawings may be held to award the prizes, but all drawings must occur on the same day and at the same location.

B. Class B – Multiple Drawing License (\$10 Fee) – This license allows up to four raffles to be conducted within twelve months of license issuance. Each ticket shall specify the dates of ticket sales and the dates of the drawing. Although a *Class B* license allows up to four raffles, the maximum value of cash and non-cash prize or prizes awarded to a single winner shall not exceed \$25,000.00, and the aggregate value of all prizes awarded in all of the raffles shall not exceed \$50,000.

C. Class C - One-Time Hardship Raffle License (\$10 Fee) – This license allows a not-for-profit fund-raising organization or group organized for the sole purpose of providing emergency financial assistance to an identified individual or group of individuals suffering severe financial hardship as a result of an injury, disability, accident or disaster to conduct one raffle for that purpose. The maximum single cash prize or

the maximum retail value of a single non-cash prize may not exceed \$25,000.00, and the aggregate maximum value of all cash and non-cash prizes awarded may not exceed \$50,000.00.

D. Class D – Twelve-Month Raffle License (\$50 Fee) – A twelve-month license shall permit the conduct of raffles or the sale of chances for a raffle or raffles in which the maximum value of all cash or non-cash prizes for a single drawing shall not exceed \$5,000.00. Class D licenses shall be licensed annually for a twelve (12) consecutive month period commencing on the day the license is approved. The aggregate value of all prizes awarded annually shall not exceed \$50,000.00.

E. Class E – Poker Run License (\$10 Fee) – A Class E license allows an organization to conduct a single poker run and shall only be issued to provide 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 maintain the financial stability of the organization. The maximum single cash prize shall not exceed \$25,000.00, and an aggregate maximum value of all cash awarded shall not exceed \$50,000.00.

VI. OPERATION AND CONDUCT

A. The operation and conduct of a raffle or poker run shall be under the supervision of at least one raffle or poker run manager designated by the licensee.

B. The entire net proceeds of any raffle or poker run must be exclusively devoted to the lawful purpose of the license.

C. No person except a bona fide director, officer, employee, or member of the licensee may manage or participate in the management of the raffle or poker run. No person may receive remuneration or profit for managing or participating in the management of the raffle or poker run. The licensee may contract with third parties who, acting at the direction of and under the supervision of the licensee, provide bona fide services to the licensee in connection with the operation of a raffle and may pay reasonable compensation for such services. Such services include the following:

1. Advertising, marketing and promotion
2. Legal
3. Procurement of goods, prizes, wares and merchandise for the purpose of operating the raffle
4. Rent, if the premises upon which the raffle will be held is rented
5. Accounting, Auditing and bookkeeping
6. Website hosting
7. Mailing and delivery
8. Banking and payment processing
9. Other services relating to the operation of the raffle

D. A licensee may rent the 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.

E. Raffle chances may be sold throughout the state, including beyond the borders of the licensing municipality or county. Raffle chances may be sold during the period specified on the license and shall

not be sold for a period longer than one year. The winning chances may be determined only at the location(s) specified on the license.

F. If a raffle drawing or poker run is unable to be held as documented on the license due to an extreme emergency or natural disaster, the licensee must seek approval of the DeKalb County Clerk before the drawing or poker run can be held on a different date. If a drawing or poker run is cancelled due to inadequate sale of entries or raffle tickets or due to some reason other than an extreme emergency or natural disaster, the licensee must notify all participants or ticket purchasers, refund all monies and return all prizes within 30 days. Such cancellation will be reported to the DeKalb County Clerk within ten (10) days of that decision with a full explanation as to the reason.

G. The maximum price which may be charged for each entry or raffle chance sold, offered for sale, conveyed, issued or otherwise transferred for value shall not exceed \$250.00. No cash prize in excess of \$25,000.00 may be awarded, and the value of all prizes to be awarded shall not exceed \$50,000.00.

H. Each entry or raffle chance shall have printed thereon the cost of the entry or chance, the aggregate retail value of all prizes to be awarded in the raffle or poker run, and the maximum number of raffle chances or entries to be issued, except as provided below:

1. When raffle chances or entries are sold, conveyed, issued, or otherwise transferred only at the time and location at which winning chances will be determined and only to persons then in attendance
2. When the raffle chance is also a ticket to an event and a portion of the cost of the ticket is designated for a dinner, golf or other item of value to be consumed or used by the purchaser at the event

I. A person under the age of 18 years may participate in the conducting of raffles or poker runs only with the written 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 or winning hands or scores in a poker run are being determined only when accompanied by his or her parent or guardian.

VII. DOCUMENTATION & RECORDKEEPING

Each licensee shall report to the DeKalb County Clerk its gross receipts, expenses, and net proceeds from raffles and poker runs, including the payee, purpose, amount and date of payment. Reporting shall occur within thirty (30) days of each raffle drawing or poker run. No new raffle or poker run licenses will be issued to an organization until all reports from the organization's previous raffles or poker runs have been completed and submitted to the DeKalb County Clerk.

VIII. ENFORCEMENT

A. Failure to comply with any of the requirements of the DeKalb County Raffle and Poker Run ordinance shall constitute a violation. Any person, upon conviction thereof, shall be fined not more than \$500.00. Each day the violation continues shall be considered a separate offense. License(s) may be suspended or revoked for any violation.

B. The imposition of the penalties as described in this section shall not preclude the state's attorney from instituting appropriate action to prevent unlawful raffles or poker runs, or to restrain, correct or abate a violation of this ordinance.