

**AN ORDINANCE AMENDING CHAPTER 18 OF THE CODE OF THE CITY OF  
PEORIA TO INCLUDE ARTICLE XXI ESTABLISHING AND REGULATING  
RAFFLES AND POKER RUNS**

**WHEREAS**, the City of Peoria (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, including the power to regulate for the protection of the public health, safety, and welfare; and

**WHEREAS**, a municipality may regulate raffles and poker runs within its corporate boundaries pursuant to the Illinois Raffles and Poker Runs Act (230 ILCS 15/0.01 *et seq.*); and

**WHEREAS**, the City of Peoria has not regulated raffles or poker runs in the past, but has determined that the adoption of this ordinance to regulate those games of chance within the City of Peoria will promote the health, safety, and welfare of the inhabitants of the City of Peoria; and

**WHEREAS**, the Illinois Raffles and Poker Runs Act has established minimum standards which municipalities must impose in connection with an ordinance regulating raffles, and the City of Peoria has incorporated those standards herein; and

**WHEREAS**, regulating raffles and poker runs within the City of Peoria is a valid exercise of municipal police powers by the City Council of the City of Peoria.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Peoria, as follows:

**SECTION 1.**           **Recitals.** The recitals above shall be and are incorporated into this Section 1 as if fully restated herein

**SECTION 2.**           Chapter 18 (Licenses and Miscellaneous Business Regulations) is hereby amended by adding ARTICLE XXI. – RAFFLES AND POKER RUNS and the following underlined words.

**ARTICLE XXI – RAFFLES AND POKER RUNS**

**Sec. 18-710. - Definitions.**

For the purpose of this article, the words and phrases listed hereunder have the meanings designated herein, except when a particular context clearly requires a different meaning:

- a) “Accounts Receivable” means the division of the City Finance Department that is responsible for all functions related to receivables management.
- b) “Annual aggregate retail value of prizes” means the total retail value of all prizes to be raffled by any organization, licensed under this article, during the license period.
- c) “Business organization” means a voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial and civic interests of a community.

- d) “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.
- e) “City” is the City of Peoria, Illinois.
- f) “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.
- g) “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.
- h) “Key location” is the location where the poker run concludes and the prize or prizes are awarded.
- i) “Labor organization” is an organization composed of workers organized with the objective of the betterment of the conditions of those engaged in such pursuit and the development of a higher degree of efficiency in their respective occupations.
- j) “Licensee” is an organization which has been issued a license to operate a raffle or poker run.
- k) “Net proceeds” means the gross receipts from the conduct of raffles, less sums expended for prizes, local license fees, and other reasonable operating expenses incurred as a result of operating a raffle or poker run.
- l) “Nonprofit” means organized, operated and conducted on a not-for profit basis with no personal profit incurring to anyone as a result of said operation.
- m) “Non-profit fundraising organization” is an organization 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 illness, disability, accident or disaster.
- n) “Person” means an individual, firm, organization, public or private corporation, government, partnership or unincorporated association.
- o) “Poker run” means a prize-awarding event organized by an organization licensed under this article 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 or playing a randomized game at each location.
- p) “Raffle” means a form of lottery, as defined in section 5/28-2(b) of the "Criminal Code of 2012 [720 ILCS, tit. III],” conducted by an organization licensed under this article 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 means, 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.
- q) “Religious organization” is any church, congregation, society or organization founded for the purpose of religious worship.
- r) “Veterans organization” is 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.

**Sec. 18-711. - License requirements.**

It shall be unlawful to conduct or operate a raffle or to sell, offer for sale, convey, issue or otherwise transfer for value a chance on a raffle unless said raffle has been licensed in accordance to this article.

It shall be unlawful to conduct or operate a poker run unless said poker run has been licensed in accordance to this article.

**Sec. 18-712. - Multiple raffles.**

A person eligible for licensure under this article desiring to hold more than one raffle during the license period may apply for a multiple raffle license. For purposes of this paragraph only, a "raffle" is considered to be a single location and time of determining a winning chance(s). Multiple prizes and drawings may be held at any one time and location.

**Sec. 18-713. - Application for a raffle license.**

Any person seeking to conduct or operate a raffle shall file an application therefore with the City's Accounts Receivable department, on forms provided. Said application shall contain the following information:

- a) The name, address and type of organization;
- b) The length of existence of the organization and, if incorporated, the date and state of incorporation;

- c) The name, address, telephone number, and date of birth of the organization's presiding officer, secretary, raffles manager and any other members responsible for the conduct and operation of the raffle;
- d) The annual aggregate retail value of all prizes to be awarded;
- e) The maximum retail value of each prize to be awarded;
- f) The maximum price charged for each raffle chance issued or sold;
- g) The estimated gross annual sales of chances;
- h) The geographic area or areas in which raffle chances will be sold or issued;
- i) The time period during which raffle chances will be issued or sold;
- j) The time and location at which winning chances will be determined (note: the application may be amended by a telephone call from an officer of the organization to the Accounts Receivable Department not less than three (3) days prior to the drawing and confirmed in writing by the organization);
- k) A sworn statement attesting to the not-for-profit character of the applicant organization, signed by its presiding officer and secretary;
- l) A certificate signed by the presiding officer of the applicant organization attesting to the fact that the information contained in the application is true and correct.

**Sec. 18-714. - Application for a poker run license**

Any person seeking to conduct or operate a poker run shall file an application therefore with the City's Accounts Receivable department, on forms provided. Said application shall contain the following information:

- a) The name, address and type of organization;
- b) The length of existence of the organization and, if incorporated, the date and state of incorporation;
- c) The name, address, telephone number, and date of birth of the organization's presiding officer, secretary and any other members responsible for the conduct and operation of the poker run;
- d) The time period during which the poker run will be conducted;
- e) The time and location at which winning chances will be determined (note: the application may be amended by a telephone call from an officer of the organization to the Accounts Receivable Department not less than three (3) days prior to the event and confirmed in writing by the organization);
- f) A sworn statement attesting to the not-for-profit character of the applicant organization, signed by the presiding officer and secretary;
- g) A certificate signed by the presiding officer of the applicant organization attesting to the fact that the information contained in the application is true and correct; and
- h) The purpose for which the poker run is being conducted.

**Sec. 18-715. - Licensee qualifications.**

- a) Raffle licenses shall be issued only to bona fide charitable, educational, fraternal, labor, business, religious and veterans 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 making application for a license and which have had during that entire five-year period a bona fide membership engaged in carrying out their objects, or to a nonprofit fund-raising organization that the Accounts Receivable Department 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 illness, disability, accident or disaster.

- b) Poker run licenses shall be issued only to bona fide charitable, educational, fraternal, labor, business, religious and 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 immediately before making application for a poker run license and which have had during that entire five-year period a bona fide membership engaged in carrying out their objects. The Accounts Receivable department may waive the five-year requirement for a bona fide charitable, educational, fraternal, labor, business, religious or veterans' organization that applies for a license to conduct a poker run if the organization is a local organization that is affiliated with and chartered by a national or State organization that meets the five-year requirement. Poker run licenses shall be issued for the following purposes:
- 1) 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
  - 2) To maintain the financial stability of the organization.
- c) The following are ineligible for any license under this article:
- 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 organization in which a person defined in [subsections] (a), (b) or (c) above has a proprietary, equitable or credit interest, or in which such person is active or employed;
  - 5) Any organization in which a person defined in [subsections] (a), (b) or (c) above is an officer, director or employee, whether compensated or not; and
  - 6) Any organization in which a person defined in [subsections] (a), (b) or (c) above is to participate in the management or operation of a raffle as defined herein.

#### **Sec. 18-716. - License issuance.**

The Accounts Receivable Department shall review all raffle and poker run license applications within ten (10) days from the date of application and shall, within thirty (30)

days from the date of application, approve or deny a license application. If an application is approved, the Accounts Receivable Department shall forthwith issue a license to the applicant. A raffle license shall be valid for a period of one year from the effective date. The Accounts Receivable Department may approve a raffle license up to sixty (60) days prior to the effective date of the license. A poker run license shall be valid for one event.

All raffle licenses shall be numbered consecutively in the calendar year of the effective date and order in which they are issued (e.g. R-1-82, R-2-82, R-3-82, etc.). The Accounts Receivable shall keep an accurate record of the licenses and numbers issued.

All poker run licenses shall be numbered consecutively in the year and order in which they are issued (e.g. P-1-82, P-2-82, P-3-82, etc.). The Accounts Receivable Department shall keep an accurate record of the licenses and numbers issued. The license shall include the name and address of each predetermined location.

#### **Sec. 18-717. - Conduct of raffles and poker runs.**

The operation and conduct of raffles and poker runs are subject to the following restrictions:

- a) The entire net proceeds of any raffle or poker run must be exclusively devoted to the lawful purpose of the licensee;
- b) No person except a bona fide member of the licensee may participate in the management or operation of the raffle or poker run;
- c) No person may receive remuneration or profit for participating in the management or operation of the raffle or poker run;
- 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 article. A premises where a poker run is held is not required to obtain a license if the name and location of the premises is listed as a predetermined location on the license issued for the poker run and the premises does not charge for use of the premises;
- e) Raffle chances may be sold, offered for sale, conveyed, issued or otherwise transferred for value only within the area specified on the license; and the winning chances may be determined only at the location specified on the license;
- f) Each raffle chance shall bear the raffle license number as assigned by the Accounts Receivable Department; except if all chances are sold only at the site of the drawing, on the day of the drawing, the chances need not bear the raffle license number; in such an event, the license number shall be displayed in some prominent place on the premises;
- g) No person under the age of eighteen (18) years may participate in the operation or conduct of raffles or poker runs. A person under the age of eighteen (18) years may be within the area where winning chances in a raffle or scores in a poker run are being determined only when accompanied by his parent or legal guardian; and

- h) No raffle chance shall be sold, offered for sale, conveyed, issued or otherwise transferred for value to any person under the age of eighteen (18) years; however, any person may make a gift of a chance to any person of any age.

**Sec. 18-718. - Raffles manager.**

The operation and conduct of a raffle shall be under the supervision of a single raffle manager designated by the licensee. The manager shall give a fidelity bond equal in amount to the aggregate retail value of all prizes to be awarded in favor of the licensee conditioned upon his honesty in the performance of his duties. The 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 bonding requirements set forth herein may be waived by the City, if the applicant provides sufficient proof that the applicant's members have unanimously approved the waiver.

**Sec. 18-719. - Records.**

- a) Each licensee 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.
- b) Gross receipts from the operation of raffles or poker runs shall be segregated from other revenues of the licensee, including bingo gross receipts. If bingo games are also conducted by the same nonprofit organization pursuant to license therefor issued by the state department of revenue, proceeds must be placed in a separate account. Each licensee shall keep separate records of its raffles or poker runs. The person who accounts for gross receipts, expenses and net proceeds from the operation of raffles or poker runs shall not be the same person who accounts for other revenues of the licensee.
- c) Each licensee shall report promptly after the conclusion of each raffle or poker run to its membership. Each raffle licensee shall report promptly to the Accounts Receivable Department its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required herein. (Note: Forms for reporting are available at the office of the Accounts Receivable Department.)
- d) Raffle and poker run records shall be preserved for three (3) years, and organizations shall make available their records relating to the operation of raffles or poker runs for public inspection at reasonable times and places.

**Sec. 18-720. - Fees.**

The following fees shall be paid to the City's accounts receivable department at the time the application is filed:

- a) The raffle application fee shall be based upon the estimated gross annual sale of chances by the organization.

<u>Gross Annual Sales</u>	<u>Fee</u>
<u>Under \$10,000.00.....</u>	<u>No Fee</u>
<u>\$10,000.00 and over.....</u>	<u>\$20.00</u>

- b) The poker run application fees shall be twenty dollars (\$20.00) per event.
- c) Said application fees are nonrefundable even should the application be denied by the City.

**Sec. 18-721. - Prize limitations.**

The annual aggregate retail value of all prizes awarded in a single year by a single raffle licensee shall not exceed two million dollars (\$2,000,000), and the retail value of any one prize awarded in a single raffle shall not exceed two million dollars (\$2,000,000).

**Sec. 18-722. - Chance limitation.**

The price which may be charged for each raffle chance sold, offered for sale, conveyed, issued or otherwise transferred for value shall not exceed five hundred dollars (\$500.00).

**Sec. 18-723. - Penalties.**

Failure to comply with any of the requirements of this article shall constitute a violation; and any person, upon conviction thereof, shall be fined not more than five hundred dollars (\$500.00) for each offense. Each day the violation continues shall be considered a separate offense.

**Sec. 18-724. - Appeals.**

Any persons whose application is denied may appeal the denial to the City Manager. Such appeal shall be in writing and must be filed with the City Manager within ten (10) days of the date of the written notice of denial. The City Manager shall hear the appeal within thirty (30) days of receipt of the appeal. Any person appealing a denial may be represented by an attorney, may call witnesses and may cross-examine. The City Manager shall issue a



written decision in favor of issuance or denial of the license within fifteen (15) days after the hearing.

**SECTION 4.**        **Publication.** The City Clerk is hereby directed and authorized to publish this ordinance in pamphlet form as provided by law.

**SECTION 5.**        **Effective Date.** This ordinance takes effect immediately after its publication.

**SECTION 6.**        **Authority.** This ordinance is adopted under the home-rule authority granted to the City of Peoria by Article 7, Section 6, of the Illinois Constitution, 1970.

PASSED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

APPROVED:

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

EXAMINED AND APPROVED:

\_\_\_\_\_  
Corporation Counsel