



CITY OF AURORA, ILLINOIS

ORDINANCE NO. 023-043
DATE OF PASSAGE June 27, 2023

An Ordinance Amending Chapter 25, Article VIII of the Code of Ordinances Pertaining to Raffles.

WHEREAS, the City of Aurora has a population of more than 25,000 persons and is, therefore, a home rule unit under subsection (a) of Section 6 of Article VII of the Illinois Constitution of 1970; and

WHEREAS, subject to said Section, a home rule unit may exercise any power and perform any function pertaining to its government and affairs for the protection of the public health, safety, morals, and welfare; and

WHEREAS, the City's Raffle Ordinance is not consistent with Illinois law on the subject;

WHEREAS, the City Council deems it advisable to amend and clarify those provisions of Chapter 25 regarding the issuance of raffle licenses.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Aurora, Illinois, as follows: that Chapter 25, Article VIII of the Code of Ordinances shall be and hereby is amended as set forth in Exhibit A; and further

BE IT ORDAINED, that the Corporation Counsel and City Clerk shall be and hereby are authorized and directed to correct any scrivener's or other non-substantive errors in Exhibit A upon codification.

ORDINANCE NO. 023-043

LEGISTAR NO. 23-0445

PASSED AND APPROVED ON June 27, 2023

AYES 11 NAYS 0 NOT VOTING 0 ABSENT 0

ALDERMAN	Vote
Alderman Llamas, Ward 1	yes
Alderwoman Garza, Ward 2	yes
Alderman Mesiacos, Ward 3	yes
Alderman Donnell, Ward 4	yes
Alderman Franco, Ward 5	yes
Alderman Saville, Ward 6	yes
Vacant, Ward 7	N/A
Alderwoman Smith, Ward 8	yes
Alderman Bugg, Ward 9	yes
Alderwoman Baid, Ward 10	yes
Alderman Laesch, At Large	yes
Alderman Woerman, At Large	yes

ATTEST:

Jennifer Stalling
City Clerk

Shirley
Mayor

1 **Sec 25-221 Definitions**

2 The following words, terms and phrases, when used in this article, shall have the
3 meanings ascribed to them in this section, except where the context clearly indicates a
4 different meaning:

5 Business means a voluntary organization composed of individuals and businesses who
6 have joined together to advance the commercial, financial, industrial and civic interests
7 of a community.

8 Charitable means an organization or institution organized and operated to benefit an
9 indefinite number of the public. The service rendered to those eligible for benefits must
10 also confer some benefit on the public.

11 Educational means an organization or institution organized and operated to provide
12 systematic instruction in useful branches of learning by methods common to schools
13 and institutions of learning which compare favorably in their scope and intensity with the
14 course of study presented in tax-supported schools.

15 Fraternal means an organization of persons having a common interest, the primary
16 interest of which is to both promote the welfare of its members and to provide
17 assistance to the general public in such a way as to lessen the burdens of government
18 by caring for those that otherwise would be cared for by the government.

19 Labor means an organization composed of workers organized with the objective of
20 betterment of the conditions of those engaged in such pursuit and the development of a
21 higher degree of efficiency in their respective occupations.

22 Net proceeds means the gross receipts from the conduct of raffles, less reasonable sums
23 expended for prizes, local license fees and other reasonable operating expenses incurred
24 as a result of operating a raffle.

25 Non-profit means an organization or institution organized and conducted on a not-for-
26 profit basis with no personal profit inuring to any one as a result of the operation.

27 Poker Run means a prize-awarding event organized by an organization licensed under
28 this Section in which participants travel to multiple predetermined locations, including a
29 key location, to play a randomized game based on an element of chance. Poker run
30 includes dice runs, marble runs, or other events where the objective is to build the best
31 hand or highest score by obtaining an item or playing a randomized game at each
32 location. Due to the potential multi-jurisdictional issues involved in Poker Runs, Poker
33 Runs are licensed by the County in which the key location is located as defined by 3.1
34 of the Act.

1 *Progressive raffle* means a type of raffle where the prize increases as raffle drawings
2 progress through a pre-determined set of actions which are known to the persons
3 purchasing this type of raffle ticket in advance.

4 ~~*Raffle licensing agent* means the city clerk.~~

5 *Religious* means any church, congregation, society, or organization founded for the
6 purpose of religious worship.

7 *State law or the Act* means and refers to the "Raffles and Poker Runs Act." 230 ILCS 15/
8 et. seq. ~~an Act of the General Assembly of the State of Illinois, entitled "An Act to provide~~
9 ~~for licensing and regulating certain games of chance and amending certain Acts herein~~
10 ~~named," approved August 5, 1980, as amended [Ill. Rev. Stat. Ch. 85, ¶ 2301 et seq.].~~

11 *Veteran's* means an organization or association comprised of members of which
12 substantially all are individuals who are veterans or spouses, widows, or widowers of
13 veterans, the primary purpose of which is to promote the welfare of its members and to
14 provide assistance to the general public in such a way as to confer a public benefit.

15 Unless the context otherwise requires, all words and phrases used in this article shall
16 have the same meaning as the same or similar words or phrases defined and used in the
17 state law or this code.

18 (Code 1969, § 32-61; Ord. No. O14-044, § 1, 7-22-14)

1 **Sec 25-222 Raffle License Required**

2 (a) No person shall ~~It shall be a violation of this article to~~ operate a raffle without first
3 having obtained a license as herein set forth.

4 (b) A license to operate a raffle shall be issued only:

5 (1) To bona fide religious, charitable, labor, business, fraternal, educational, ~~or~~
6 veterans', or other bona fide not-for-profit organizations, as defined from
7 time to time in the Internal Revenue Code, that operate without profit to their
8 members, and which have been in existence continuously for a period of
9 five (5) years immediately before making application for a license and which
10 have had during that entire five-year period a bona fide membership
11 engaged in carrying out their objects.

12 (2) To a non-profit fundraising organization that the city clerk determines is
13 organized for the sole purpose of providing financial assistance to an
14 identified individual or group of individuals suffering extreme financial
15 hardship as the result of an illness, disability, accident, or disaster.

16 (3) To any law enforcement agencies and associations that represent law
17 enforcement officials.

18 (4) To any fire protection agencies and associations that represent fire
19 protection officials.

20 (5) To any other person specifically authorized to receive a license to conduct
21 a raffle under state law.

22 (c) No license to operate a raffle shall be issued to:

23 (1) Any person who has been convicted of a felony, subject to the limitations
24 set forth in Section 3.1 of the Act.

25 (2) Any person who is or has been a professional gambler or gambling
26 promoter.

27 (3) Any person who is not of good moral character.

28 (4) Any firm, organization, or corporation in which a person defined in
29 paragraphs (c)(1), (2) or (3) has a proprietary, beneficial, equitable or credit
30 interest, or in which such a person is active or employed.

31 (5) Any organization in which such a person defined in paragraphs (c)(1), (2)
32 or (3) is an officer, director, board members, or employee, whether
33 compensated or not.

34 (6) Any organization in which a person defined in paragraphs (c)(1), (2) or (3)
35 is to participate in the management or operation of a raffle as defined by
36 state law; or

37 (7) Any person or organization prohibited to operate a raffle by state law.

38 (Code 1969, § 32-62; Ord. No. O14-044, § 1, 7-22-14)

Sec 25-223 License Application

- (a) *Required information.* Application forms shall be furnished by the city clerk ~~raffle licensing agent~~ and filed with same. The application shall include ~~show~~ the following:
- (1) The name and address of the applicant;
 - (2) The dates, times and locations at which winning chances will be determined;
 - (3) The place and date of chartering or incorporation of the applicant, if applicable, and the applicant's IRS letter of determination that the applicant is a religious, charitable, labor, business, fraternal, educational, ~~or veteran's~~ or other bona fide not-for-profit organizations;
 - (4) The name, address, telephone number, social security number and date of birth of the presiding officer, secretary and raffle manager of the applicant;
 - (5) The area or areas in which raffle tickets will be sold;
 - (6) A list of prizes and the retail of each prize to be awarded in a single raffle, or the total maximum value of a progressive raffle;
 - (7) The price to be charged for each ticket sold.
- (b) *Sworn statement.* 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. The statement shall be signed by the presiding officer, secretary and raffle manager of that prospective licensee.
- (c) *Validity for one (1) raffle only.* An application for a license under this article is valid for one (1) raffle.
- (d) *Exemptions.* This section shall not apply to any organization which has been lawfully issued a license to conduct a raffle or a poker run by a licensing authority authorized to issue such license by state law. ~~When application not required. Any raffle in which the aggregate value of the prizes is less than five hundred dollars (\$500.00) shall be considered automatically licensed without the necessity of an application. Raffles with an aggregate value of less than five hundred dollars (\$500.00) may be held by any organization without having to follow the requirements of this article.~~
- (e) *Applicant Convictions.* The city clerk shall not require applicants to report the information set forth in Sec. 3.1(a) of the Act and shall not consider the criminal history records there in set forth in connection with an application for licensure.
- (1) The city clerk, upon a finding that an applicant for a license was previously convicted of a felony shall consider any evidence of rehabilitation and mitigating factors contained in the applicant's record, including factors contained in Sec. 3.1(b) of the Act. Upon consideration of evidence of rehabilitation and mitigating factors provided by the applicant, and if all other requirements for a raffle license have been satisfied, the city clerk shall issue a license to an applicant that the city clerk has determined to be sufficiently rehabilitated to warrant the public trust.
 - (2) If the city clerk refuses to issue a license to an applicant, the applicant shall be notified of the denial in writing with the following included in the notice of denial:

- 1 1. A statement about the decision to refuse to issue a license;
- 2 2. A list of the convictions that the city clerk determined will impair the
- 3 applicant's ability to engage in the position for which a license is
- 4 sought;
- 5 3. A list of convictions that formed the sole or partial basis for the refusal
- 6 to issue a license; and
- 7 4. The applicant's right to appeal the denial per Sec 3-107 of the code
- 8 of ordinances.
- 9 (3) By May 1 of each year, the city clerk shall prepare the report of summary
- 10 statistical information as identified in Sec. 3.1(d) of the Act.

11 (Code 1969, § 32-63; Ord. No. O14-044, § 1, 7-22-14)

1 **Sec 25-224 Regulations Governing Licensees**

2 (a) *Conduct of raffles.* The conducting of raffles licensed under this article is subject
3 to the following restrictions:

4 (1) The entire net proceeds of any raffle must be exclusively devoted to the
5 lawful purposes of the licensee permitted to conduct that game.

6 (2) No person except a bona fide member of the licensee organization may
7 participate in the management or operation of the raffle.

8 (3) No person may receive any remuneration or profit from the proceeds of any
9 raffle for participating in the management or operation of the raffle.
10 Sponsoring organizations may contract with third parties who, acting at the
11 direction of and under the supervision of the sponsoring organization,
12 provide bona fide services to the sponsoring organization in connection with
13 the operation of a raffle and may pay reasonable compensation for such
14 services. Such services include the following: (a) advertising, marketing and
15 promotion, (b) legal, (c) procurement of goods, prizes, wares and
16 merchandise for the purpose of operating the raffle, (d) rent, if the premises
17 upon which the raffle will be held is rented, (e) accounting, auditing and
18 bookkeeping, (f) website hosting, (g) mailing and delivery, (h) banking and
19 payment processing, and (i) other services relating to the operation of the
20 raffle.

21 (4) Raffle chances may be sold or issued throughout the State of Illinois,
22 including beyond the borders of the city or county. ~~only within the area or~~
23 ~~areas specified on the license.~~

24 (5) Winning chances must be determined only at the time, date and location
25 specified on the license.

26 ~~(6)~~ A licensee may rent a premises on which to determine the winning chance
27 or chances in a raffle provided that the rent is not determined as a
28 percentage of receipts or profits from the raffle. ~~only from an organization~~
29 ~~which is also licensed under this article.~~

30 (7) A person under the age of 18 years may participate in the conducting of
31 raffles only with the permission of a parent or guardian. A person under the
32 age of 18 years may be within the area where winning chances in a raffle
33 are being determined only when accompanied by his parent or guardian.
34 ~~Any person selling raffle chances must carry a copy of the license issued~~
35 ~~for the raffle.~~

36 (b) Prize ~~Raffle~~ *limits.*

37 (1) The aggregate retail value of all prizes or merchandise awarded by a
38 licensee in a single calendar year shall not exceed one hundred thousand
39 dollars (\$100,000.00).

40 (2) The maximum retail value of each prize awarded by a licensee in a single
41 progressive raffle shall not exceed of fifty thousand dollars (\$50,000.00).

42 (3) Reserved.

43 (4) The maximum price which may be charged for each raffle chance issued or
44 sold shall not exceed one hundred dollars (\$100.00).

1 (5) The maximum number of calendar days during which chances may be
2 issued or sold shall not exceed one hundred eighty (180).

3 (6) The license shall not be valid for more than three hundred sixty-five (365)
4 days.

5 (c) *Raffle manager; bond.*

6 (1) All operation and conduct of raffles shall be under the supervision of a single
7 raffle manager as designated on the license application.

8 (2) A manager shall give a fidelity bond in the sum of the aggregate retail value
9 of the prizes as set out on the application. The bond shall be in favor of the
10 organization conditioned upon the raffle manager's honesty in the
11 performance of his duties. The bond shall provide that notice shall be given
12 in writing to the licensing authority not less than thirty (30) days prior to its
13 cancellation period. If the retail value of the prizes exceeds fifteen thousand
14 dollars (\$15,000.00), the bond shall be a corporate surety.

15 (3) A bond shall not be required from the manager of a raffle when the
16 aggregate value of the prizes is less than five hundred dollars (\$500.00)
17 and if the applicant organization consents to the waiver upon the affirmative
18 vote of the requisite number of members of the organization or, if the
19 licensed organization does not have members, of members of the governing
20 board of the organization, to constitute an affirmative action thereof.

21 ~~Gross reference—Alternatives to bond, § 2-318.~~

22 (d) *Records.*

23 (1) Gross receipts from the operation of raffle programs shall be segregated
24 from other revenues of the licensee (including bingo gross receipts, if bingo
25 games are also conducted by the same licensee pursuant to license issued
26 by the state department of revenue); and placed in a separate account.
27 Each organization shall have separate records of its raffles. The person who
28 accounts for gross receipts and expenses from the operation of raffles shall
29 not be the same person who accounts for other revenues of the
30 organization.

31 (2) Each licensee shall keep records of gross receipts, expenses and net
32 proceeds for each single raffle at which winning chances are determined.
33 All reasonable operating expenses deducted from gross receipts for each
34 single raffle shall be documented with receipts or other records indicating
35 the amount, a description of the purchased item or service or other reason
36 for the deduction, and the recipient. The distribution of net proceeds shall
37 be itemized as to payee, purpose, amount and date of payment.

38 (3) Each licensee, within thirty (30) days of the raffle, shall report to its
39 membership and to the city clerk ~~raffle licensing agent~~ each of the following:

- 40 1. Gross receipts generated by the conducting of the raffle;.
41 2. An itemized list of all reasonable operating expenses which have
42 been deducted from the gross receipts;.
43 3. Net proceeds from the conducting of the raffle;.
44 4. An itemized list of the distribution of the net proceeds;.

1 5. A list of prize winners.

2 (4) Records required by this section shall be preserved for three (3) years, and
3 the organization shall make available for public inspection their records
4 relating to the operation of a raffle licensed under this article at reasonable
5 times and places.

6 (e) *Construction of article.* Nothing in this article shall be construed to authorize the
7 conducting or operating of any gambling scheme, enterprise, activity or device
8 other than raffles as provided by state law.

9 (Code 1969, § 32-64; Ord. No. O99-18, § 1, 2-23-99; Ord. No. O14-044, § 1, 7-22-14)

10
11 **Sec 25-225 Fees**

12 Fees. The city council shall from time to time by resolution adopt a schedule of fees
13 required to conduct a raffle. ~~The fee for a license to operate a raffle shall be as follows:~~

Aggregate prize value	Fee
Less than \$500.00	None
\$501.00 to \$5,000.00	\$5.00
\$5,001.00 and over	\$25.00

14 (Code 1969, § 32-65)

Sec 25-226 Administration

- (a) The city clerk shall administer the provisions of this article. ~~raffle licensing agent shall be charged with the administration of this article.~~ The city clerk may adopt supplemental rules not inconsistent with this article to carry its provisions into execution. Such rules may include, but are not limited to, provisions implementing a fully electronic application and licensing program.
- (b) The authority and jurisdiction of the city to issue a license to a prospective licensee shall extend only to that area which is within the corporate limits of the city.
- (c) The ~~city clerk~~ ~~raffle licensing agent~~ shall act upon a license application within thirty (30) ~~ten (10)~~ days from the date of the application.
- (d) The ~~mayer and the~~ city through the city clerk may enter into any written contract with any county and any appropriate municipalities which have adopted a raffle ordinance consistent with this article to jointly establish a system for the licensing of organizations to operate raffles within the unincorporated area of such county or counties and within the corporate limits of any such municipalities as are parties of such contract. Each such contract shall be consistent with the limitations of this article except that a license issued by one (1) government unit shall be valid throughout the jurisdiction of all parties to the contract.

(Code 1969, § 32-66)

Sec 25-227 Enforcement

- (a) *Penalties.* Failure to comply with any of the requirements of this article shall constitute a violation. Whoever violates any of the provisions of this article is guilty of a misdemeanor and upon conviction shall be punished as provided in section 1-10.
- (b) *Administrative Adjudication.* Violations of this chapter may be prosecuted through the administrative adjudication system set forth in chapter 3 of this code. Any individual receiving a citation issued under this chapter may request a hearing before an administrative hearing officer in accordance with the terms and process set forth in chapter 3 of this code.
- (c) *Abatement.* The imposition of the penalties prescribed in this section shall not preclude the corporation counsel from instituting an appropriate action to prevent unlawful raffles or to restrain, correct or abate a violation of this article or of the conditions of a raffle license issued pursuant to this article.

(Code 1969, § 32-67; Ord. No. O14-044, § 1, 7-22-14)