


VILLAGE OF LOMBARD  
REQUEST FOR BOARD OF TRUSTEES ACTION  
For Inclusion on Board Agenda

  X   Resolution or Ordinance (Blue)   X   *Waiver of First Requested*  
       Recommendations of Boards, Commissions & Committees (Green)  
       Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES  
FROM: Scott R. Niehaus, Village Manager  
DATE: February 4, 2020 (B of T) Date: February 6, 2020  
TITLE: Amending Title XI, Chapter 123 - Raffles  
SUBMITTED BY: Janet Downer, Business Administrator 

**BACKGROUND/POLICY IMPLICATIONS:**

Attached for your consideration is an ordinance amending Title XI, Chapter 123-Raffles. Amendments are being proposed to bring Village Code into compliance with the revisions made to the Raffles and Poker Run Act 230 ILCS 15/0.01 et seq.

Please place this item on the February 6, 2020 Board of Trustees agenda for consideration.

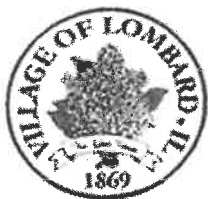
Staff is requesting a waiver of first reading.

**Fiscal Impact/Funding Source:**

Review (as necessary):

Village Attorney X _____	Date _____
Finance Director X _____	Date _____
Village Manager X _____	Date _____

**NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.**



## MEMORANDUM

**TO:** Scott Niehaus, Village Manager

**FROM:** Janet Downer, Business Administrator

**DATE:** February 3, 2020

A handwritten signature in black ink, appearing to be "Janet Downer", is written over the "FROM:" line.

**SUBJECT: Ordinance Amending Title XI, Chapter 123 - Raffles**

Currently, Village Code Title XI, Chapter 123 mirrors statutory language contained within the Illinois Raffles and Poker Run Act (230 ILCS 15/0.01 et seq.). Revisions were made to the Raffles and Poker Run Act pursuant to Public Act 101-0109 and the attached proposed ordinance, would bring Village Code into compliance with these revisions. The most notable proposed changes to Village Code are as follows:

1. Currently, a raffle license would be required by a not-for-profit organization if the winning chances are determined at a location within the Village and/or the sales of raffle tickets occurred in the Village. *The proposed ordinance would revise this language in that a raffle license would only be required if the winning chances are determined at a Lombard location. Raffle chances may be sold throughout the State including beyond the borders of the Village and would not require an applicant to get a raffle license from each community in which tickets were being sold;*
2. Eligibility for a raffle license is currently limited to bona fide religious, charitable, labor, fraternal, education, or veterans' organizations that operate without profit to their members and have been in existence continuously for a period of five (5) years immediately before making application for a license. *Proposed changes to this section of Village Code will expand the types of organizations listed above and will include a "Business" organization category. The "Business" definition has been added to the list of definitions. Also, the five (5) year requirement can now be waived if any not-for-profit organization is a local organization that is affiliated with and chartered by a national or State organization that meets the five (5) year requirement;*
3. Currently if a raffle applicant rents a premises (hotel/restaurant) where the winning chances in a raffle are determined, the applicant would be ineligible from securing a license if they were paying a specific rental fee for the use of the premises beyond the per person charges for food and beverages consumed. *The proposed ordinance would amend this language in that if a premises was rented for determining the winning chance, the only stipulation would be that the rent cannot be determined as a percentage of receipts or profits from the raffle;*
4. Sponsoring organizations may now contract with a third party to run the raffle on their behalf; and
5. Other non-substantive language clean-up.

Staff has met with Village Counsel who prepared the attached ordinance for consideration. Staff is requesting a waiver of first reading in order to reflect these statutory amendments.

If you have any questions, please feel free to contact me.

ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE AMENDING TITLE XI, CHAPTER 123  
OF THE LOMBARD VILLAGE CODE IN REGARD TO RAFFLES**

**BE IT ORDAINED** by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

**SECTION 1:** That Title XI, Chapter 123, Section 123.01 of the Lombard Village Code is amended as follows:

A. The following definition is hereby added thereto:

*"Key Location.* The location where the winning chances in the raffle are determined."

B. The definition of "net proceeds", as contained therein, is amended by revising the reference therein to "other reasonable operating expenses" to read, "other operating expenses".

C. The definition of "raffle", as contained therein, is amended as follows:

1. The reference therein to "720 ILCS 5/28-2", is revised to read, "720 ILCS 5/28-2(b)".

2. The following is hereby added to the end thereof:

"Raffle does not include any game designed to stimulate: (1) gambling games as defined in the Riverboat Gambling Act; (2) any casino game approved for play by the Illinois Gaming Board; (3) any games provided by a video gaming terminal, as defined in the Video Gaming Act; or (4) a 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 Owners' Loan Act."

**SECTION 2:** That Title XI, Chapter 123, Section 123.02(A) of the Lombard Village Code is amended as follows:

A. The first sentence thereof is amended to read in its entirety as follows:

"Raffle licenses shall be issued only to: (1) bona fide religious, charitable, labor, business, fraternal, educational, veterans' or other bona fide not-for-profit organizations that operate without profit to their

members, which have been in existence continuously for a period of five (5) years immediately before making application for a raffle license, and which have, during that entire five (5) year period, engaged in carrying out their objects; (2) to a non-profit fund-raising 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 (3) to any law enforcement agencies and statewide associations that represent law enforcement officials. The aforementioned five (5) year requirement is hereby waived for a bona fide religious, charitable, labor, business, fraternal, educational or veterans' organization, 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."

- B. That the following definition is hereby added to the list of definitions contained therein:

*"Business: A voluntary organization composed of individuals and businesses who have joined together to advance the commercial, financial, industrial and civic interests of a community."*

**SECTION 3:** That Title XI, Chapter 123, Section 123.02(B) of the Lombard Village Code is amended as follows:

- A. Subsection (1) thereof is amended to read in its entirety as follows:

"(1) Any person whose felony conviction will impair the person's ability to engage in the licensed position."

- B. Subsection (2) thereof is amended by revising the reference to "gambling promoter", as contained therein, to read, "professional gambling promoter".

- C. Subsection (4) thereof is amended by revising the reference to "firm or corporation", as contained therein, to read, "organization".

**SECTION 4:** That Title XI, Chapter 123, Section 123.03(A) of the Lombard Village Code is amended as follows:

- A. Subsection (1) thereof is amended to read in its entirety as follows:

"(1) No person, firm or corporation shall conduct raffles or chances, in relation to which the Key Location is within the corporate boundaries of the Village, without having first obtained a license therefor pursuant to this Chapter."

B. Subsection (2) thereof is amended to read in its entirety as follows:

“(2) The license and the application for the license must specify the location or locations at which winning chances in the raffle will be determined, the time period (calendar dates) during which raffle chances will be sold or issued, and the time or times of determination (calendar dates) of winning chances.”

**SECTION 5:** That Title XI, Chapter 123, Section 123.04(A) of the Lombard Village Code is amended as follows:

A. Subsection (2) thereof is amended to read in its entirety as follows:

“(2) No person except a bona fide director, officer, employee or member of the sponsoring organization may manage or participate in the management of the raffle.”

B. Subsection (3) thereof is amended to read in its entirety as follows:

“(3) No person may receive any remuneration or profit for managing or participating in the management of the raffle.”

C. Subsection (4) thereof is amended to read in its entirety as follows:

“(4) 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.”

D. Subsection (5) thereof is amended to read in its entirety as follows:

“(5) Raffle chances may be sold throughout the State, including beyond the borders of the Village; however, winning chances may be determined only at those locations specified on the license for the raffle.”

E. Subsection (6) thereof is amended by revising the reference to “raffles of chances”, as contained in the first sentence thereof, to read, “raffles or chances”.

F. A new subsection (9) shall be added thereto, to read in its entirety as follows:

“(9) Notwithstanding subsections (2) and (3) above, 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.”

**SECTION 6:** That Title XI, Chapter 123, Section 123.04(B) of the Lombard Village Code is amended by inserting the word “a” between “rents” and “premises”, in the first line thereof.

**SECTION 7:** That Title XI, Chapter 123, Section 123.05 of the Lombard Village Code is amended as follows:

A. The first sentence thereof is revised to read in its entirety as follows:

“The management, operation and conduct of all raffles shall be under the supervision of a single raffles manager designated by the organization.”

B. The last sentence thereof is revised to read in its entirety as follows:

“The Village may waive this bond requirement by including a waiver provision in the license issued to an organization under this Chapter, provided that a license containing such waiver provision shall be granted only by the 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, to constitute an affirmative action of the licensed organization.”

**SECTION 8:** That Title XI, Chapter 123, Section 123.06 of the Lombard Village Code is amended as follows:

A. Subsection (B) thereof is revised by deleting the word “programs” from the first sentence thereof.

B. Subsection (C) thereof is revised to read in its entirety as follows:

“(C) Each organization licensed to conduct raffles shall report promptly after the conclusion of each raffle to its membership or, if the organization does not have members, to its governing board. Each organization licensed to conduct raffles shall report promptly to the Village its gross receipts, expenses and net proceeds from the raffle, and the distribution of net proceeds itemized as required in this Section.”

**SECTION 9:** That this Ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form, as provided by law.

Passed on first reading this \_\_\_\_\_ day of \_\_\_\_\_, 2020.

First reading waived by action of the Board of Trustees this 6th day of February, 2020.

Passed on second reading this 6th day of February, 2020, pursuant to a roll call vote as follows:

AYES: \_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**APPROVED** by me this 6th day of February, 2020.

\_\_\_\_\_  
Keith Giagnorio, Village President

**ATTEST:**

\_\_\_\_\_  
Sharon Kuderna, Village Clerk

Published by me in pamphlet form this 7th day of February, 2020.

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Sharon Kuderna, Village Clerk