



99TH GENERAL ASSEMBLY

State of Illinois

2015 and 2016

HB3538

by Rep. Keith Wheeler

SYNOPSIS AS INTRODUCED:

230 ILCS 15/0.01	from Ch. 85, par. 2300
230 ILCS 15/1	from Ch. 85, par. 2301
230 ILCS 15/2	from Ch. 85, par. 2302
230 ILCS 15/5	from Ch. 85, par. 2305
230 ILCS 15/6	from Ch. 85, par. 2306

Amends the Raffles and Poker Runs Act. Redefines "poker run". Allows bona fide not-for-profit organizations to be licensed to hold poker runs. Provides that the governing body of any county shall (rather than may) establish a system for the licensing of organizations to operate poker runs. Makes changes concerning which organizations shall be issued poker run licenses under the Act and the purposes for these licenses. Removes the requirement that poker runs by an organization be under the supervision of a single manager designated by the organization and associated bond requirements. Makes changes in provisions concerning records. Makes other changes. Effective immediately.

LRB099 07124 MLM 30873 b

FISCAL NOTE ACT
MAY APPLY

STATE MANDATES
ACT MAY REQUIRE
REIMBURSEMENT

A BILL FOR

1 AN ACT concerning gaming.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Raffles and Poker Runs Act is amended by
5 changing Sections 0.01, 1, 2, 5, and 6 as follows:

6 (230 ILCS 15/0.01) (from Ch. 85, par. 2300)

7 Sec. 0.01. Short title. This Act may be cited as the
8 Raffles and Poker Runs Act.

9 (Source: P.A. 98-644, eff. 6-10-14.)

10 (230 ILCS 15/1) (from Ch. 85, par. 2301)

11 Sec. 1. Definitions. For the purposes of this Act the terms
12 defined in this Section have the meanings given them.

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

17 "Key location" means the location where the poker run
18 concludes and the prize or prizes are awarded.

19 "Poker run" means a prize-awarding ~~an~~ event organized by an
20 organization licensed under this Act in which participants
21 travel to multiple predetermined locations, including a key
22 location, to play a randomized game based on an element of

1 ~~chance drawing a playing card or equivalent item at each~~
2 ~~location, in order to assemble a facsimile of a poker hand or~~
3 ~~other numeric score.~~ "Poker run" includes dice runs, marble
4 runs, or other events where the objective is to build the best
5 hand or highest score by obtaining an item or playing a
6 randomized game at each location.

7 "Raffle" means a form of lottery, as defined in Section
8 28-2(b) of the Criminal Code of 2012, conducted by an
9 organization licensed under this Act, in which:

10 (1) the player pays or agrees to pay something of value
11 for a chance, represented and differentiated by a number or
12 by a combination of numbers or by some other medium, one or
13 more of which chances is to be designated the winning
14 chance;

15 (2) the winning chance is to be determined through a
16 drawing or by some other method based on an element of
17 chance by an act or set of acts on the part of persons
18 conducting or connected with the lottery, except that the
19 winning chance shall not be determined by the outcome of a
20 publicly exhibited sporting contest.

21 (Source: P.A. 97-1150, eff. 1-25-13; 98-644, eff. 6-10-14.)

22 (230 ILCS 15/2) (from Ch. 85, par. 2302)

23 Sec. 2. Licensing.

24 (a) The governing body of any county or municipality within
25 this State may establish a system for the licensing of

1 organizations to operate raffles. The governing bodies of a
2 county and one or more municipalities may, pursuant to a
3 written contract, jointly establish a system for the licensing
4 of organizations to operate raffles within any area of
5 contiguous territory not contained within the corporate limits
6 of a municipality which is not a party to such contract. The
7 governing bodies of two or more adjacent counties or two or
8 more adjacent municipalities located within a county may,
9 pursuant to a written contract, jointly establish a system for
10 the licensing of organizations to operate raffles within the
11 corporate limits of such counties or municipalities. The
12 licensing authority may establish special categories of
13 licenses and promulgate rules relating to the various
14 categories. The licensing system shall provide for limitations
15 upon (1) the aggregate retail value of all prizes or
16 merchandise awarded by a licensee in a single raffle, (2) the
17 maximum retail value of each prize awarded by a licensee in a
18 single raffle, (3) the maximum price which may be charged for
19 each raffle chance issued or sold and (4) the maximum number of
20 days during which chances may be issued or sold. The licensing
21 system may include a fee for each license in an amount to be
22 determined by the local governing body. Licenses issued
23 pursuant to this Act shall be valid for one raffle or for a
24 specified number of raffles to be conducted during a specified
25 period not to exceed one year and may be suspended or revoked
26 for any violation of this Act. A local governing body shall act

1 on a license application within 30 days from the date of
2 application. Nothing in this Act shall be construed to prohibit
3 a county or municipality from adopting rules or ordinances for
4 the operation of raffles that are more restrictive than
5 provided for in this Act. The governing body of a municipality
6 may authorize the sale of raffle chances only within the
7 borders of the municipality. The governing body of the county
8 may authorize the sale of raffle chances only in those areas
9 which are both within the borders of the county and outside the
10 borders of any municipality.

11 (a-5) The governing body of any county within this State
12 shall ~~may~~ establish a system for the licensing of organizations
13 to operate poker runs. The governing bodies of 2 or more
14 adjacent counties may, pursuant to a written contract, jointly
15 establish a system for the licensing of organizations to
16 operate poker runs within the corporate limits of such
17 counties. The licensing authority may establish special
18 categories of licenses and adopt rules relating to the various
19 categories. The licensing system may include a fee not to
20 exceed \$25 for each license. Licenses issued pursuant to this
21 Act shall be valid for one poker run or for a specified number
22 of poker runs to be conducted during a specified period not to
23 exceed one year and may be suspended or revoked for any
24 violation of this Act. A local governing body shall act on a
25 license application within 30 days after the date of
26 application.

1 (b) Raffle licenses ~~Licenses~~ shall be issued only to bona
2 fide religious, charitable, labor, business, fraternal,
3 educational or veterans' organizations that operate without
4 profit to their members and which have been in existence
5 continuously for a period of 5 years immediately before making
6 application for a raffle license and which have had during that
7 entire 5-year ~~5-year~~ period a bona fide membership engaged in
8 carrying out their objects, or to a non-profit fundraising
9 organization that the licensing authority determines is
10 organized for the sole purpose of providing financial
11 assistance to an identified individual or group of individuals
12 suffering extreme financial hardship as the result of an
13 illness, disability, accident or disaster. Poker run licenses
14 shall be issued only to bona fide religious, charitable, labor,
15 business, fraternal, educational, veterans', or other bona
16 fide not-for-profit organizations that operate without profit
17 to their members and which have been in existence continuously
18 for a period of 5 years immediately before making application
19 for a poker run license and which have had during that entire
20 5-year period a bona fide membership engaged in carrying out
21 their objects. Licenses for poker runs shall be issued for the
22 following purposes: (i) providing financial assistance to an
23 identified individual or group of individuals suffering
24 extreme financial hardship as the result of an illness,
25 disability, accident, or disaster or (ii) to maintain the
26 financial stability of the organization. A licensing authority

1 may waive the 5-year requirement under this subsection (b) for
2 a bona fide religious, charitable, labor, business, fraternal,
3 educational, or veterans' organization that applies for a
4 license to conduct a poker run if the organization is a local
5 organization that is affiliated with and chartered by a
6 national or State organization that meets the 5-year
7 requirement.

8 For purposes of this Act, the following definitions apply.

9 Non-profit: An organization or institution organized and
10 conducted on a not-for-profit basis with no personal profit
11 inuring to any one as a result of the operation. Charitable: An
12 organization or institution organized and operated to benefit
13 an indefinite number of the public. The service rendered to
14 those eligible for benefits must also confer some benefit on
15 the public. Educational: An organization or institution
16 organized and operated to provide systematic instruction in
17 useful branches of learning by methods common to schools and
18 institutions of learning which compare favorably in their scope
19 and intensity with the course of study presented in
20 tax-supported schools. Religious: Any church, congregation,
21 society, or organization founded for the purpose of religious
22 worship. Fraternal: An organization of persons having a common
23 interest, the primary interest of which is to both promote the
24 welfare of its members and to provide assistance to the general
25 public in such a way as to lessen the burdens of government by
26 caring for those that otherwise would be cared for by the

1 government. Veterans: An organization or association comprised
2 of members of which substantially all are individuals who are
3 veterans or spouses, widows, or widowers of veterans, the
4 primary purpose of which is to promote the welfare of its
5 members and to provide assistance to the general public in such
6 a way as to confer a public benefit. Labor: An organization
7 composed of workers organized with the objective of betterment
8 of the conditions of those engaged in such pursuit and the
9 development of a higher degree of efficiency in their
10 respective occupations. Business: A voluntary organization
11 composed of individuals and businesses who have joined together
12 to advance the commercial, financial, industrial and civic
13 interests of a community.

14 (c) Poker runs shall be licensed by the county governing
15 ~~body~~ with jurisdiction over the key location. The license
16 granted by the key location shall cover the entire poker run,
17 including locations other than the key location. Each license
18 issued shall include the name and address of each predetermined
19 location.

20 (Source: P.A. 98-644, eff. 6-10-14.)

21 (230 ILCS 15/5) (from Ch. 85, par. 2305)

22 Sec. 5. Manager; bond. All operation of and the conduct of
23 raffles ~~and poker runs~~ shall be under the supervision of a
24 single manager designated by the organization. The manager
25 shall give a fidelity bond in an amount determined by the

1 licensing authority in favor of the organization conditioned
2 upon his honesty in the performance of his duties. Terms of the
3 bond shall provide that notice shall be given in writing to the
4 licensing authority not less than 30 days prior to its
5 cancellation. The governing body of a local unit of government
6 may waive this bond requirement by including a waiver provision
7 in the license issued to an organization under this Act,
8 provided that a license containing such waiver provision shall
9 be granted only by unanimous vote of the members of the
10 licensed organization. Nothing in this Section shall be deemed
11 to apply to poker runs.

12 (Source: P.A. 98-644, eff. 6-10-14.)

13 (230 ILCS 15/6) (from Ch. 85, par. 2306)

14 Sec. 6. Records.

15 (a) Each organization licensed to conduct raffles and
16 chances or poker run events shall keep records of its gross
17 receipts, expenses and net proceeds for each single gathering
18 or occasion at which winning chances in a raffle or winning
19 hands or scores in a poker run are determined. All deductions
20 from gross receipts for each single gathering or occasion shall
21 be documented with receipts or other records indicating the
22 amount, a description of the purchased item or service or other
23 reason for the deduction, and the recipient. The distribution
24 of net proceeds shall be itemized as to payee, purpose, amount
25 and date of payment.

1 (b) Gross receipts from the operation of raffles programs
2 or poker runs shall be segregated from other revenues of the
3 organization, including bingo gross receipts, if bingo games
4 are also conducted by the same nonprofit organization pursuant
5 to license therefor issued by the Department of Revenue of the
6 State of Illinois, and placed in a separate account. Each
7 organization shall have separate records of its raffles and
8 poker runs. The person who accounts for gross receipts,
9 expenses and net proceeds from the operation of raffles or
10 poker runs shall not be the same person who accounts for other
11 revenues of the organization.

12 (c) Each organization licensed to conduct raffles or poker
13 runs ~~or poker runs~~ shall report promptly after the conclusion
14 of each raffle or poker runs ~~or poker run~~ to its membership.
15 Each organization licensed to conduct raffles shall report
16 promptly ~~, and~~ to the licensing local unit of government, ~~7~~ its
17 gross receipts, expenses and net proceeds from the raffle
18 ~~raffles or poker runs~~, and the distribution of net proceeds
19 itemized as required in this Section.

20 (d) Records required by this Section shall be preserved for
21 3 years, and organizations shall make available their records
22 relating to operation of raffles or poker runs for public
23 inspection at reasonable times and places.

24 (Source: P.A. 98-644, eff. 6-10-14.)

25 Section 99. Effective date. This Act takes effect upon
26 becoming law.