

**Town of Hay River**

**Northwest Territories**



**Bylaw No. 2368**

**Chase the Ace Style Lotteries**

## Chase the Ace Style Lotteries

### Table of Contents

SHORT TITLE .....	1
DEFINITIONS .....	1
APPLICATION .....	3
LOTTERY DESCRIPTION .....	3
CTA LOTTERY LICENSE DECISION MATRIX.....	4
QUALIFYING PERSONS AND PURPOSES .....	4
CONTROL PROCEDURES .....	8
FEE SCHEDULE .....	8
OFFENCES.....	8
EFFECT.....	9

## Chase the Ace Style Lotteries

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Being a By-Law of the Municipal Corporation of the Town of Hay River in the Northwest Territories to provide for the establishment of lottery regulations and guidelines pursuant to the Cities, Towns and Villages Act, R.S.N.W.T., 1988 Chapter C-8, Section 169.

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**Whereas** the Lotteries Act G.N.W.T. 1988, Chapter L-11, section 4b delegates the authority to Hay River to regulate and license lottery schemes within the Town of Hay River; and

**Whereas** the Council of the Municipal Corporation of the Town of Hay River deems it to be in the public interest to establish regulations and guidelines governing the granting of Chase the Ace style lottery licencing:

**Whereas** Section 72 of the *Cities, Towns and Villages Act*, SNWT 2003, Chapter 22, provides for the establishment, levy and collection of charges for services provided by the Municipal Corporation of the Town of Hay River for issuing of a license.

**Now Therefore**, the Council of the Municipal Corporation of the Town of Hay River, at a duly assembled meeting enacts as follows:

## SHORT TITLE

1. This bylaw may be cited as the "Chase the Ace Style Lotteries License Bylaw".

## DEFINITIONS

2. In this bylaw:

"Applicant"	means an organization, a corporation or a co-operative association who submits an application to the Senior Administrative Officer;
"Authorized Representative"	means an individual who represents an Applicant or a License Holder, and who is responsible for ensuring that the Chase the Ace Style Lottery is held in accordance with this bylaw;
"charitable or religious object or purpose" includes objects or purposes which:	<ol style="list-style-type: none"><li>(a) promote the relief of poverty or disease, or including, but not limited to, providing relief to the poor; activities for the elderly so they stay active in society; or social and educational activities for the emotionally or physically disabled.</li><li>(b) promote the advancement of religion or education, including, but not limited to, providing student scholarships; providing aid to schools, libraries; museums and the arts; assistance on participating in educational trips abroad; and advancement of or the preservation of cultural heritage.</li><li>(c) are of a charitable or religious nature and are beneficial to the community as a whole; including, but not limited to, making improvements to the quality of health; supporting and promoting culture; supporting medical research; aiding medical treatment activities; providing a facility for a community's use; supporting amateur athletics; or, providing places for public worship and other religious activities.;</li></ol>
"Charitable or religious organization"	means an incorporated or unincorporated organization or foundation with a charitable or religious object or purpose; meeting one of the following requirements: <ol style="list-style-type: none"><li>(a) registered as a charitable or religious organization under the <i>Income Tax Act</i> (Canada), or</li></ol>

	(b) registered for a charitable or religious purpose under the <i>Societies Act</i> , or
	(c) designated as a charitable or religious organization by the Senior Administrative Officer for the Town of Hay River, having a charitable or religious object or purpose;
"Chase the Ace Style Lottery"	Has the meaning as set forth in section 4.
"Club Room"	means an owned or leased premise where regular members meet.
"Gross receipts"	means the total revenue from all sources derived in the conduct, management and operation of a Lottery
"License"	means a license to conduct, manage and operate a Lottery in accordance with this bylaw;
"Licensee"	means an unincorporated organization, a corporation or a co- operative association licensed to conduct, manage and operate a Lottery in accordance with this bylaw;
"Member-Oriented Purpose"	means a purpose that benefits the members of an organization more than it benefits the general public;
"Person"	means an individual, partnership, corporation, association, or other similar cooperative organization;
"Roll Tickets"	roll tickets are readily available serialized tickets requiring no solicitation for contact data from the ticket purchaser, with two identical numbers sets; one given to the purchaser and the other retained by the licensee for draw purposes.
" Ticket drawer"	Person who draws the roll ticket to select the winning ticket and who handles the playing cards prior to and after the winning ticket holder selects a card.
"Town"	means the Municipal Corporation of the Town of Hay River, in the Northwest Territories as established under the <i>Cities, Towns and Villages Act</i> ;

## APPLICATION

3. No Person shall conduct a Chase the Ace Style Lottery within the Town of Hay River (THR) except in accordance with a License issued under this bylaw.

## LOTTERY DESCRIPTION

4. For the purposes of this bylaw Chase the Ace (CTA) style lottery schemes are event-based schemes whereby there is an opportunity to win a percentage take, by way of a roll ticket draw, as well as an opportunity to win a chance to select a card in search of a specific jackpot card. This may include, Chase the Ace, Klub the King, Crown the Queen, Jig the Joker, etc.
  - (a) Licenses are issued for 52 weeks in duration and there is a maximum of 52 draws AND a maximum of 52 cards permitted for use on any one license.
  - (b) The allocation of ticket sales proceeds must be in accordance with 4(e) and may be varied only upon approval of the SAO only if a written request is submitted prior to commencing the first draw.
  - (c) A licensee is to notify the Town of Hay River (THR) as soon as reasonably possible once a Chase the Ace style jackpot has been awarded as this will cause the expiration of the lottery license. No other ticket lotteries are permitted to be played at any venue whereby a Chase the Ace style lottery is underway.
  - (d) Chase the Ace Style lottery is to be conducted using serialized roll tickets that are sold only to persons over the age of 19 over a not less than two and not more than three hour period with a ticket draw held at the end of the specified time period later that day and the holder of the ticket is required to be in attendance to claim their prize.
  - (e) The winning ticket shall receive a percentage of the ticket sales; 20% while 30% is reserved for a building jackpot and the remaining 50% is retained by the licensee.
  - (f) Additionally, the winning ticket holder is granted the opportunity to select a card and, if they select the ace of spades, or another predetermined jackpot card or approved draw item as defined in the House Rules, they further win the building jackpot.
  - (g) If the jackpot card is not chosen, the card selected is removed from the deck, logged and destroyed and the remaining cards in the deck are then resealed and secured until the next draw night. As alluded to above, despite the name Chase the Ace, some groups choose to use a different card as the jackpot card to determine a jackpot winner.

- (h) The same colour roll tickets may not be used for consecutive weeks in order to avoid confusion among ticket buyers and to clearly differentiate the purchased tickets that are included in the draw from the preceding or next draw date.
- (i) No person directly assisting in the conduct of a lottery shall participate as a player. For the purposes of this bylaw directly assisting refers to the Ticket drawer.
- (j) Notwithstanding, paragraph 1(i), persons assisting in the conduct of the raffle may purchase tickets from other members of the sponsoring charitable or religious organization.

**CTA LOTTERY LICENSE DECISION MATRIX**

5. CTA style lottery licenses will be issued using the decision matrix below. A score of 50% or better is required in order to obtain a license. Where more than one applicant has applied for a CTA style lottery license, the decision matrix will determine priority status and award the license based on the highest number of points.

Points	10	15	15	5	5	50 100%
	20%	30%	30%	10%	10%	
	Demonstrated capacity to conduct CTA - number of volunteers, financial capacity, Space for tickets sales, etc.	Community /Economic Development benefits of fundraising proceeds	Number of members in organization - how many people will benefit from fundraising proceeds	Number of user groups on application - how many different groups will benefit from fundraising proceeds	Past performances with lottery licenses issued by the Town. Length of time on list for CTA, has the applicant held a license for CTA in pass 3 years, how soon are the funds required	
<b>Applicant</b>						<b>Score</b>
Applicant A						0
Applicant B						0
Applicant C						0
Applicant D						0
Applicant E						0

**QUALIFYING PERSONS AND PURPOSES**

6. The following persons may apply for a License using the Chase the Ace Style Lottery application form:

- (a) A religious or charitable organization registered under the *Income Tax Act (Canada)*.
  - (b) A religious or charitable organization incorporated under the *Societies Act*.
  - (c) Any Person who has been designated by the Senior Administrative Officer as a religious or charitable organization for the purpose of this bylaw.
7. The Senior Administrative Officer may designate an Applicant to be a religious or charitable organization for the purpose of this bylaw if the Applicant proves to the satisfaction of the Senior Administrative Officer acting reasonably that the activities of the Applicant and the purpose for which the Net Proceeds will be used fall into one or more of the following categories:
- (a) the promotion of relief of poverty or disease;
  - (b) the promotion of religion;
  - (c) the promotion of education or training;
  - (d) are of a similar nature and beneficial to the community as a whole; or
  - (e) the support of member-oriented purposes specified in this bylaw.
8. For the purpose of this bylaw, activities and purposes beneficial to the community must meet all of the following conditions:
- (a) there is a benefit to the community as a whole or a significant portion of the community;
  - (b) the benefit to the public is significantly larger than the benefit to the membership; and
  - (c) the activities and purposes fall into one or more of the following categories:
    - (i) making improvements to the quality of health;
    - (ii) supporting and promoting culture;
    - (iii) supporting medical research;
    - (iv) aiding medical treatment activities;
    - (v) providing a facility for use by all members of the community;
    - (vi) providing places for public worship and other religious activities;  
and
    - (vii) promoting and supporting amateur athletics;
9. For the purpose of this bylaw, allowable member-oriented purposes:



- (a) must follow the general rules in terms of capital and non-capital expenditures as laid out in Section 2;
- (b) are not required to be a benefit to the community as a whole or a significant portion of the community;
- (c) may be of greater benefit to the membership than to the public; and
- (d) must fall into one or more of the following categories:

- (i) supporting seniors' social and recreational activities provided:

- (A) membership must be open to the general public 60 years of age and older;
- (B) the majority of the seniors' organization consists of individuals 60 years of age and older;
- (C) any entertainment provided is for the seniors, not the general public; and
- (D) the services paid from lottery proceeds are on a cost recovery basis, and not intended to generate a profit;

- (ii) supporting youth social and recreational activities provided:

- (A) membership must be open to the general public 18 years of age and younger;
- (B) the majority of the youth organization consists of individuals 18 years of age and younger;
- (C) any entertainment provided is for the youth, not the general public; and
- (D) the services paid from lottery proceeds are on a cost recovery basis, and not intended to generate a profit;

- (iii) supporting travel only in the event that net proceeds are less than \$25,000 and at the discretion of the Senior Administration Officer for:

- (a) seniors provided:

1. there is broad based community involvement, and eligibility for the trips is not limited to the members of the licensed organization;
2. the majority of the seniors' organization consists of

individuals 60 years of age or older; and

3. expenses are restricted to direct transportation, subsistence and lodging costs to attend an activity;

(b) youth provided:

1. the travel is to participate in religious, cultural, recreational or sporting activities;
  2. the majority of the youth organization consists of individuals 18 years of age or younger; and
  3. expenses are restricted to direct transportation, subsistence and lodging costs to attend an activity;
- (c) a sporting event provided the opportunity is gained as a result of qualifying to advance to a superior level of competitive activity, sanctioned by the appropriate governing body.

## CONTROL PROCEDURES

10. The licensee must provide a set of completed **House Rules** for the lottery with their application. The House Rules must be substantially in the form provided by the Town and shall be posted at all ticket selling locations.
11. If the Chase the Ace (CTA) style Lottery jackpot reaches \$50,000, THR requires all licensees submit a **Lottery Operational Plan**. The Lottery Operational Plan must be substantially in the form provided by the Town and shall be submitted to the SAO prior to the draw date where the jackpot will reach \$50,000 or above.
12. Where the total prizes awarded under a license exceed \$100,000 the license holder shall submit to the SAO a financial report audited by an independent auditor within 90 days after expiration of the license.
13. A charitable or religious organization that has been granted a lottery license shall immediately notify the SAO in writing of any changes of any members of its executive.
  - (a) Until such notification is given, a license is deemed to be suspended.

## FEE SCHEDULE

14. The following fee schedule shall apply for a CTA style lottery (note applications less than seven days prior to the Lottery will not be accepted):

License Application (more than seven days prior to the Lottery)	\$ 50.00 + application fee as determined by total prize amount
<b>Total Prize Amount</b>	
Less than \$1,000	\$ 0.00
- Between \$1,000 and \$6,999	\$ 50.00
Between \$7,000 and \$20,000	\$ 300.00
More than \$20,000	\$1500.00
License amendment more than seven days prior to the Lottery	\$50.00
License amendment seven or fewer days prior to the Lottery	\$100.00
Processing Fee for incorrect or incomplete documents	\$25.00

## OFFENCES

15. Every person who contravenes any provision of this bylaw is guilty of an offence and is liable upon summary conviction:
  - a. For the first offence, to a fine not exceeding \$500; and
  - b. For each subsequent offence to a fine not exceeding \$2,000.
16. An officer may issue a Summary Offence Ticket Information in the form prescribed by the *Summary Conviction Procedures Act and Regulations*, to any Person who violates any

provision of this bylaw and such Person may, in lieu of prosecution, pay the Town the voluntary penalty of \$100 prior to the court date specified on the ticket.

17. Where in the opinion of the SAO, a lottery is being operated contrary to this bylaw, the SAO may require a peace officer or other person designated by him or her to confiscate the license.

**EFFECT**

18. This bylaw shall come into effect upon receiving Third Reading and otherwise meeting the requirements of Section 75 of the *Cities, Towns and Villages Act*.

READ A FIRST TIME this 25 day of July , 2017.




Mayor

READ A SECOND TIME this 25 day of July , 2017.



Mayor

READ A THIRD AND FINAL TIME this 25 day of July , 2017.



Mayor

CERTIFIED that this bylaw has been made in accordance with the requirements of the *Cities, Towns and Villages Act*, S.N.W.T. 2003, and the bylaws of the Municipal Corporation of the Town of Hay River on this 25 day of July , 2017.



A/ Senior Administrative Officer