



Town of Fort Smith
Special Town Council Meeting
SP-02-18
Agenda

Tuesday, February 13, 2018 at 8:30 pm – Council Chambers

- A. Call to Order and Confirmation of Quorum
- B. Approval of Agenda
- C. Discussion
 - a. Chase The Ace Lottery License Bylaw 988 – 1st and 2nd Reading



Bylaw 988 Chase
the Ace Lottery Licer

- D. Absence of Council Members
- E. Adjournment
- F. Question Period



**THE MUNICIPAL CORPORATION OF THE TOWN OF FORT SMITH
BY-LAW 988**

A BY-LAW OF THE MUNICIPAL CORPORATION OF THE TOWN OF FORT SMITH, IN THE NORTHWEST TERRITORIES, TO PROVIDE FOR THE REGULATION AND LICENSING OF CHASE THE ACE-STYLE LOTTERY SCHEMES WITHIN THE TOWN OF FORT SMITH.

WHEREAS, the Lotteries Act G.N.W.T.1988, c.11 Fort Smith Delegation regulation R.R.N.W.T. 1996, delegates the authority to regulate and license lottery schemes within the Town of Fort Smith; and

WHEREAS, the Council of the Municipal Corporation of the Town of Fort Smith deems it to be in the public interest to establish regulation and guidelines governing the granting of Chase the Ace-style lottery licensing;

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 Fort Smith for issuing of a license.

NOW THEREFORE, the Council of the Town of Fort Smith, at a duly assembled meeting enacts as follows:

1. SHORT TITLE

THAT this By-law may be cited as the “Chace The Ace Lottery License By-law”.

2. INTERPRETATION

In this By-law, unless the context otherwise requires:

- (a) “Applicant” means an organization who submits an application to the Senior Administrative Officer;
- (i) A religious or charitable organization registered under the *Income Tax Act (Canada)*;
- (ii.) A religious or charitable organization incorporated under the *Societies Act*;
- (iii.) Any Person who has been designated by the Senior Administrative Officer as a religious or charitable organization for the purpose of this By-law.
- (b) “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 By-law;
- (c) “Charitable or religious object or purpose” includes objects or purposes which:
- (i) 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 education activities for the emotionally or physically disabled;
- (ii) 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 the preservation of cultural heritage;
- (iii) Are of 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.



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- (d) “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:
 - (i) Registered as a charitable or religious organization under the Income Tax Act (Canada); or
 - (ii) Registered for a charitable or religious purpose under the *Societies Act*; or
 - (iii) Designated as a charitable or religious organization by the Senior Administrative Officer or the Council of the Town of Fort Smith, having a charitable or religious object or purpose.
- (e) “Chase the Ace-style Lottery” has the meaning set forth in Section 4;
- (f) “Club Room” means an owned or leased premise where regular members meet;
- (g) “Gross receipts” means the total revenue from all sources derived in the conduct, management and operation of a Lottery;
- (h) “License” means a license to conduct, manage and operate a Lottery in accordance with this By-law;
- (i) “Licensee” means an organization licensed to conduct, manage and operate a Lottery in accordance with this By-law;
- (j) “Member-Oriented Purpose” means a purpose that benefits the members of an organization more than it benefits the general public;
- (k) “Person” means an individual, partnership, corporation, association, or other similar organization;
- (l) “Roll tickets” are readily available serialized tickets requiring no solicitation for contact data from the ticket purchaser, with identical number sets; one given to the purchaser and the other retained by the licensee for draw purposes;
- (m) “Ticket drawer” is the 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.
- (n) “Town” means the Municipal Corporation of the Town of Fort Smith, in the Northwest Territories as established under the *Cities, Towns and Villages Act*;

3. APPLICATION

- (a) No person shall conduct a Chase the Ace-style lottery within the Municipal Corporation of the Town of Fort Smith except in accordance with a License issued under this By-law.
- (b) Only one Chase the Ace-style lottery will be permitted to run at any given time within the Municipal Corporation of the Town of Fort Smith.
- (c) The Council of the Town of Fort Smith will select the successful eligible applicant based on the criteria set forth in Section 5. Selection will occur on the third Tuesday of the month following the completion of the previous Chase the Ace-style lottery. Applications received less than seven days prior to the selection date will not be accepted.
- (d) Unsuccessful applicants will have their license application fee refunded and be required to resubmit for future Chase the Ace-style lotteries.



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4. LOTTERY DESCRIPTION

For the purpose of this By-law, Chase the Ace-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, etc.

- (a) Licenses are issued for a maximum of 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 (g) and may be varied only upon written approval of the Seniors Administrative Officer and only if a written request is submitted prior to commencing the first draw.
- (c) Sales of serialized roll tickets for Chase the Ace-style lotteries are to commence no earlier than 3 hours before the draw time on the draw date.
- (d) The person who has won the draw and has the matching serialized roll ticket has 30 minutes to present the ticket at the place of which the draw is being conducted in order to select a card for a chance to win jackpot card. If the winning ticket is not presented within 30 minutes of the draw a new ticket will be drawn.
- (e) A licensee is to notify the Town of Fort Smith 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 serialized roll ticket lotteries are permitted to be played at any venue where a Chase the Ace-style lottery is underway.
- (f) Chase the Ace-style lotteries are 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. The holder of the ticket is required to be in attendance to claim their prize.
- (g) The winning ticket shall receive 20% percent of the ticket sales, while 30% is reserved for a building jackpot and the remaining 50% is retained by the licensee.
- (h) Additionally, the winning ticket holder is granted the opportunity to select a card and, if they select the specific jackpot card, they further win the building jackpot.
- (i) 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. As stated 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.
- (j) 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.
- (k) No person directly assisting in the conduct of a lottery, including volunteers, shall participate as a player or buy tickets for other players.

5. APPLICATION SELECTION

Chase the Ace-style lottery licenses will be issued at the discretion of the Council of the Town of Fort Smith. Where more than one applicant has applied for a Chase the Ace-style lottery license, a decision to grant the license will be based on the following aspects listed by priority.

- (a) Community/Economic Development benefits of fundraising proceeds;
- (b) Number of members in organization and how many people will benefit from the fundraising proceeds;



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- (c) Demonstrated capacity to conduct a Chase the Ace-style lottery, including, but not limited to, the number of volunteers, financial capacity, space for ticket sales, etc.;
- (d) Number of user groups on the application and how many groups will benefit from benefit from the proceeds;
- (e) Past performance with lottery licenses issued by the Town of Fort Smith; the length of time on the list for a Chase the Ace-style lottery; if the applicant has previously held a license for a Chase the Ace-style lottery in the past three years; and how soon the funds are required.

6. QUALIFYING PERSONS AND PURPOSES

- (a) The following persons may apply for a License using the Chase the Ace-style lottery application form:
 - (i) A religious or charitable organization registered under the *Income Tax Act (Canada)*;
 - (ii) A religious or charitable organization incorporated under the *Societies Act*;
 - (iii) Any Person who has been designated by the Senior Administrative Officer as a religious or charitable organization for the purpose of this By-law.
- (b) The Senior Administrative Officer may designate an Applicant to be a religious or charitable organization for the purpose of this By-law if the Applicant proves 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:
 - (i) The promotion of relief of poverty or disease;
 - (ii) The promotion of religion;
 - (iii) The promotion of education or training;
 - (iv) Are of a similar nature and beneficial to the community as a whole; or
 - (v) The support of member-orientated purposes specified in this bylaw.
- (c) For the purpose of this bylaw, activities and purposes beneficial to the community must be proven to meet all of the following conditions:
 - (i) There is a benefit to the community as a whole or a significant portion of the community;
 - (ii) The benefit to the public is significantly larger than the benefit to the membership; and
 - (iii) The activities and purposes fall into one or more of the following categories:
 - a. Making improvements to the quality of health;
 - b. Supporting or promoting culture, where culture shall be understood to include literacy, language, arts, culture, heritage, and related fields;
 - c. Supporting medical research;
 - d. Aiding medical treatment activities;
 - e. Providing a facility for use by all members of the community;
 - f. Providing places for public worship and other religious activities; and



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- g. Promoting and supporting amateur athletics.
- (d) For the purpose of this bylaw, allowable member-orientated purposes:
- (i) Are not required to be a benefit to the community as a whole or a significant portion of the community;
 - (ii) May be of greater benefit to the membership than to the public; and
 - (iii) Must fall into one or more of the following categories:
 - a. Supporting seniors' social and recreational activities provided:
 - i. Membership must be open to the general public 55 years of age and older;
 - ii. The majority of the seniors' organization consists of individuals 55 years of age and older;
 - iii. Any entertainment provided is for the seniors, not the general public; and
 - iv. The services paid from lottery proceeds are on a cost recovery basis, and not intended to generate profit.
 - b. Supporting youth social and recreational activities provided:
 - i. Membership must be open to the general public 18 years of age and younger;
 - ii. The majority of the youth organization consists of individuals 18 years and younger;
 - iii. Any entertainment provided is for youth, not the general public; and
 - iv. The services paid from lottery proceeds are on a cost recovery basis and not intended to generate a profit.
 - c. Supporting travel expenses up to \$10,000 or upon written application. Senior Administrative Officer discretion will allow up to \$25,000 in travel expenses for:
 - i. 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 55 years of age or older; and
 - 3. Expenses are restricted to direct transportation, subsistence and lodging costs to attend an activity.
 - ii. 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.



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- iii. 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 government body.

7. CONTROL PROCEDURES

- (a) The licensee must provide a set of completed House Rules for the lottery with their application. The House Rules must be included with the application form provided by the Town and shall be posted at all ticket selling locations.
- (b) The licensee is to submit a Statement of Account after each draw date and pay the fee based on the total prize awarded at that draw in order to be licensed to proceed to the next draw date. If the Statement of Account and payment for the Chase the Ace-style lottery is not received within the next three days the license is deemed suspended and subject to pay a late fee..
- (c) A financial report shall be submitted within a six-month period following the completion lottery with a detailed list of use of the funds. If the financial report is not submitted the applicant may not apply to conduct any other lotteries until a report deemed satisfactory to the Senior Administrative Officer is submitted.
- (d) The Licensee shall immediately notify the SAO in writing of any changes of any members of its executive. Until such notification is given, a license is deemed to be suspended.

8. FEE SCHEDULE

The following fee schedule shall apply for a Chase the Ace-style lottery:

License Application	\$ 50.00
Total Prize Amount Awarded	
Less than \$1,000	\$ \$50.00
More than \$1,000	5%
Late Fee	\$ 65.00
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

9. OFFENCES

- (a) Every person who contravenes any provision of this By-law is guilty of an offence and is liable upon summary conviction:
 - (i) For each offence to a fine not exceeding \$2,000 will be issued.
- (b) 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 By-law and such person may, in lieu of prosecution, pay the Town the voluntary penalty of the amount of the ticket prior to the court date specified on the ticket.



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(c) Where in the opinion of the Senior Administrative Officer, a lottery is being operated contrary to this By-law, the Senior Administrative Officer may require a Bylaw Enforcement Officer or other person designated by him or her to confiscate the license.

10. EFFECT

This By-law 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 ___ DAY OF _____, 2018 A.D.

READ A SECOND TIME THIS ___ DAY OF _____, 2018 A.D.

READ A THIRD TIME THIS ___ DAY OF _____, 2018 A.D.

MAYOR

SENIOR ADMINISTRATION OFFICER

I hereby certify that this bylaw has been made in accordance with the requirements of the *Cities, Towns and Villages Act* and the bylaws of the Municipal Corporation of the Town of Fort Smith.

SENIOR ADMINISTRATION OFFICER