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185 W. State Street SENATE CONCURRENT RESOLUTION NO. 7
Trenton, N. J. [State Lottery Resolution] .

112
N. 6631

before
N. J. Legislature, SENATE, JUDICIARY COMMITTEE .

Held:
Assembly Chamber
State House
Trenton, New Jersey
June 1, 1966

OFFICIAL COPY

MEMBERS OF COMMITTEE PRESENT:

Senator Sido L. Ridolfi [Chairman]

Senator William F. Kelly, Jr.

Also:

Senator William V. Musto

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I N D E X

	<u>Page</u>
William V. Musto Senator from Hudson County Prime Sponsor of SCR 7	3
Phelps Phelps Former Ambassador to Dominican Republic	19
Edgar N. Dinkelspiel Councilman-at-Large, Long Branch	28
Francis J. Werner Former Assemblyman, Camden County	30
Rev. Samuel A. Jeanes Legislative Chairman, New Jersey Council of Churches	33 & 103
Mrs. Elgin R. Mayer President of the WCTU of New Jersey	41
James M. Fitzgerald Department of New Jersey Veterans of Foreign Wars of the United States	42
Franklin Kistner Chairman, New Jersey Jaycees	45
Marshall Daniel Barr Colonel, Retired, U. S. Army	56
Rev. Wilbert S. Hoffman Millville Ministerial Association Millville, New Jersey	61
Francis A. Forst Local 195, N.J. State Highway Employees and New Jersey State Highway Engineers Association	65
Rev. Alan Lindahl Pastor, Calvary Baptist Church Hackensack, New Jersey	66
Rev. John B. Crowell Elizabeth, New Jersey	67
Joseph C. Diaz American Taxpayer's Union	75
William S. George Chairman, Social Action Committee New Jersey Baptist Convention	79

	<u>Page</u>
Rev. Canon Benedict H. Hanson Chairman, Department of Christian Social Relations Episcopal Diocese of Newark	80
Rev. Ralph P. Davis Minister, Colonial Manor Methodist Church	87
Neil Troutman Union, New Jersey	90
Rev. John Dexter Greenleaf, Pastor Rutherford Baptist Church	90
Rev. William B. Thielking Pastor, Asbury Methodist Church Camden, New Jersey	92
Mrs. Arthur Hawkins Legislative Chairman Department of Christian Social Relations Episcopal Diocese of Newark	93
Rev. William H. Blackley Pastor, Berlin Baptist Church	99
Rev. Donald T. Phillips, Sr. Pastor, Methodist Church Matawan	101
- - - -	
Concurrent Resolution No. 7	105
Letter from Edward Simandl, State Chairman, Veterans Ticket Committee	108
Letter from John W. Beardslee III, New Brunswick Theological Seminary	109
Lists of names of those opposing SCR 7, submitted by Rev. Samuel A. Jeanes	110

SENATOR SIDO L. RIDOLFI [Chairman]: Ladies and gentlemen, will you please take your seats. It is now ten o'clock and I believe in promptness and, even though the other members of the Judiciary Committee are not present, I should like to call this public hearing to order. I am Senator Ridolfi, Chairman of the Senate Committee on the Judiciary. This is a public hearing on Senate Concurrent Resolution No. 7, introduced by Senators William V. Musto, Senator William F. Kelly, and Senator Frank J. Guarini, all three being from Hudson County.

This resolution proposes that an amendment to paragraph 2 Section VII, Article IV, of our State Constitution be submitted to public referendum. The amendment would add a new subparagraph - 2 C - and make it lawful for the Legislature to authorize the conduct of state lotteries with certain restrictions.

This public hearing today is being conducted in accordance with the constitutional provisions that a public hearing be held. I shall direct the reporters to make this resolution a part of the record of the hearing.

If there is anyone present who wishes to testify and has not yet indicated his desire to do so, will he please sign the roster which is available at the desk, giving his full name and address and the organizations that he represents, if any. May I also ask - and you may sign your name while I'm talking, if you will - as each witness is called to testify, he take a seat immediately to my left, where there is a microphone available, and will he please speak directly into the microphone and identify himself again by giving

his name, address, position, and any group or organization that he represents.

In the conduct of this hearing, we will follow the usual procedure for legislative hearings. If the witness has a prepared statement, will he please make a copy available to the members of the Committee and the hearing reporters. Prepared statements need not be read in full. Witnesses may request that the statement be made part of the record for consideration by this Committee and by the Legislature as a whole. After each witness has made his statement, the committee members may have some questions, and we trust that each witness will make himself available to answer such questions.

No questions may be directed to the members of the Committee and no questions from the audience will be permitted. The reasons are quite obvious. This is not a debate. We are here to receive your statements and not to argue or debate with anyone or between each other. If anyone wishes, however, he may submit questions in writing to the Chairman for consideration by the Committee.

With that preface, ladies and gentlemen, I should like to call first the prime sponsor of this resolution, one of the Senators from Hudson County, the Honorable Senator William V. Musto. Mr. Musto.

W I L L I A M V . M U S T O : Mr. Chairman, I am William V. Musto, Senator from Hudson County. I am the sponsor of Senate Concurrent Resolution No. 7, along with Senators William F. Kelly and Frank J. Guarini, also of Hudson County.

Briefly, SCR 7, as amended, proposed an amendment to our State Constitution to authorize the Legislature and the Governor to enact laws providing for the conduct of state lotteries. The revenues derived therefrom would go into the general state treasury to be appropriated for the benefit of the people of this State, its counties and municipalities.

At the outset I want to thank this Committee for calling this public hearing, for several reasons, and the Chairman in particular. I realize that the Chairman, my good friend Senator Ridolfi, has had a very busy year in 1966, as all of you must know, and his being here today is only a tribute to the fine leadership he has given to the State of New Jersey during this most busy and vital year of 1966.

My particular gratitude in having this public hearing is, first, because today is a happy day for me because, as you know, I have advocated a state lottery for a long time and I have been a sponsor of similar resolutions for more than 10 years - but up to the present to no avail. Only once did any of those resolutions get as far as a public hearing - in 1964, before the Assembly Judiciary Committee - but at that time it was clear to every one from the outset, I believe, that the public hearing would be the end of the trail. I believe and sincerely trust that this year this Committee is conducting this hearing today as a necessary preliminary step under our Constitution in scheduling this resolution for a third and

final vote in the Senate.

Second, because this public hearing affords the people an opportunity to express their views on this proposal. Every year, I see added support for a State lottery and I believe that this year, more than ever--as I shall explain in a minute--we should have a public discussion on this issue, a vote in both houses of the Legislature and, hopefully, a vote by the people in this November's election. Too long, we have denied the people the opportunity to decide this issue. I submit that 1966 is the year.

During the past 10 years or so, I have made known my reasons why a State lottery should be authorized. I do not intend today to present to this Committee a lengthy statement enumerating in detail what I believe are the many sound arguments in favor of a State lottery. You have heard them before, I am sure, and you are busy men. Instead, I shall try to be brief; I shall outline what I believe are the most salient arguments. But, with your permission, I should like to insert in the record today my statement before the Assembly Judiciary Committee in 1964. While the circumstances are not the same today, that statement in the main is still largely valid today. I should also like to make part of today's record the statement appended to SCR 7.

In any discussion of a public lottery, it is a foregone conclusion that its opponents will drag out 5 objections, and they will be offered as positive proof that the whole idea ought to be discarded. The fact that none of these points stands up under close examination seems to make no difference, and they are repeated time and time again, usually in this order:

First, a lottery is immoral.

Second, it imposes a burden on those least able to pay.

Third, the experiences of other states with public lotteries in the nineteenth century were fraught with corruption.

Fourth, the experience in New Hampshire during the past 2 years demonstrates that a lottery is not as popular nor as financially successful for the State as its proponents say.

And Fifth, we now have a State sales tax and this demolishes the primary reasons for a lottery.

Let's take a close look at each of these arguments.

The most persistent and vocal of the opponents to my proposal for a State lottery base their opposition on moral grounds. Gambling in all forms and shapes is immoral, they claim, and therefore any proposal to extend the present legalization of gambling should be defeated.

But what is "moral" and what is "immoral"? To me, something is "moral" or "immoral" when it conforms or fails to conform to one's principles or standards of what is right or wrong, and good or bad. Something is "moral" to a person when it is sanctioned by his conscience or ethical judgment; it is "immoral" when it runs counter to his conscience or ethical judgment. All of this connotes a personal judgment. What may be moral to one may be immoral to another.

Participation in a State lottery, no matter how carefully or for what purposes it is conducted, would violate the moral

standards of some. Their right to refuse to participate and their right to urge others to believe as they do is, and should be, guaranteed under all conditions.

The conduct of a State lottery, without personal participation, would violate the personal and moral standards of some. And they should, and do, have every right to oppose such a lottery.

But, I do not consider a lottery immoral. The Governor does not consider a lottery immoral. And, I believe that the majority of our people find nothing morally objectionable in a public lottery.

Lotteries are not new. The Bible records that many matters were decided by lot. Roman emperors used lotteries to finance building projects, and from the fifteenth century on they have been commonplace in Europe. They were introduced into America from England during the seventeenth century, and George Washington was a frequent, and apparently successful, investor in lottery tickets. Columbia University was founded on the proceeds of a lottery and some of the early Harvard buildings were financed in this way. In our own State, both Rutgers and Princeton were aided by lotteries at one time or another.

Many churches have been founded with money derived from lotteries, and today raffles and other games of chance are an important source of revenue to many churches and charitable institutions.

Americans by the thousands participate in the Irish Sweepstakes. Illegal? Yes, but certainly not immoral in the eyes of the participants.

In our own State, on every single occasion when the people have been asked to express themselves on the liberalization of gambling, they have voted affirmatively.

In 1939, the people of New Jersey voted, better than 3 to 2, in favor of pari-mutuel betting.

In 1947, the people of this State approved our new Constitution by a vote of better than 5 to 1, including its gambling provisions: one, continuing the authorization of pari-mutuel betting approved in 1939; and the second, providing that no form of gambling can be authorized unless approved by the people in a general referendum.

In 1953, the people of this State voted, better than 5 to 2, in favor of a constitutional amendment authorizing the conduct of bingo and raffles by non-profit organizations for educational, charitable, patriotic, religious or public-spirited uses, subject to approval by local referendum.

In 1959, the people voted 3 to 2 for the adoption of our Amusement Games Licensing Law, which permits the conduct of games of chance at amusement parks and seashore resorts, subject to approval by municipal referendum.

In 1961, our people voted, better than 5 to 3, to extend the 1959 Amusement Games Licensing Law to agricultural fairs.

In every one of these instances, where the people had an opportunity to express their choice, they voted overwhelmingly for legalized gambling under strict State control.

The individuals comprising the majority in each of these instances based their approval, in part, on a number of considerations other than morals. But, I submit, the moral issue was inescapable and the most important. The only conclusion I can draw from the heavy vote in favor of legalizing these betting, gaming and lottery proposals is that the large majority of the people of New Jersey do not view gambling under State control and supervision, within certain limits and where the profits are used for public and worth-while purposes, as immoral. In the 1959 and 1961 referenda, the people went even further; there they expressed their approval of certain games of chance conducted for private profit at amusement parks and seashore resorts. In those instances, some voted to preserve the economic well-being of their communities, but the general approval of these proposals in communities not directly affected clearly indicates to me a general and popular acceptance of legalized gambling under State control and supervision on moral grounds, as well as others.

I believe strongly that, given the opportunity, the people this November will again vote overwhelmingly for the question in SCR 7.

Our experiences during the past quarter century also support my belief that legalized gambling under these sanctioned conditions meets with the approval of the people.

Last year along, more than 50,000 bingo games and raffles were conducted by more than 11,000 organizations in this State for a gross profit of \$50,000,000 to those veterans', charitable, educational, religious and fraternal groups. In the 11 years since we sanctioned bingo and raffles, there has been no evidence of fraud or abuse of any sort.

Pari-mutuel betting at our 4 tracks continues to grow in popularity. Last year, the total attendance rose to more than 3.5 million, the total amount wagered to more than \$350 million, and the State revenues to almost \$30 million. In the 24 years of pari-mutuel betting in New Jersey, the State has received almost \$400 million in revenues. As with the conduct of bingo and raffles, State supervision of pari-mutuel betting has been excellent and there has been no breath of scandal or wrong-doing.

During the past 12 years, several public opinion polls have been taken. Everyone of these revealed that a majority of the people favored the legalization of a government-operated lottery.

On frequent occasions I have expressed my reasons why a State lottery, properly conducted and directed by the State, can provide a substantial source of revenue to support essential public services and at the same time provide a safe, moderate and fair outlet for the inclination of a large segment of our population to participate in such ventures. I firmly believe, as I have explained many times, that such a lottery can be properly conducted and supervised in this State to preclude the dangers popularly invoked in the arguments of its opponents.

I believe, also, that our experience in this State clearly indicates that a majority of the people of this State do not view a government-directed lottery as immoral. I believe that the majority of the people do not consider lotteries, per se, morally objectionable. Rather, they consider morally objectionable, and rightly so, all lotteries, as well as all other forms of gambling, when carried to excess, when used immoderately, when fraudulently conducted or when there is no reasonable proportion between the cost of participation and the prize to be gained.

Our 1947 Constitution wisely provided that no form of gambling can be authorized by the Legislature unless it is submitted to, and approved by, the people at a general election. A State lottery, therefore, can be authorized either by a law approved by the people or by a constitutional amendment which, of course, must also be approved by the people.

Our Constitution does not provide for popular initiative either in proposing new legislation or constitutional amendments. They must originate in the Legislature.

I believe that a majority of our people are in favor of a publicly-operated lottery on moral grounds, as well as other grounds. They should be given the opportunity to express this opinion on a formal proposal. The will of the majority should not be denied by the wishes of a vocal minority.

The experience of other countries is illustrative. Other countries, and other states, have faced squarely the matter of morality and gambling.

Probably no country has had greater experience with a wide variety of legalized gambling than Great Britain. The observations of a British Royal Commission are therefore pertinent:

"We are left with the impression," the Commission stated, "that it is extremely difficult to establish by abstract arguments that all gambling is evidently immoral, without adopting views as to the nature of good and evil which would not find general acceptance among moralists

"We can find no support for the belief that gambling, provided that it is kept within reasonable bounds, does serious harm either to the character of those who take part in it, or to their family circle and the community generally

"It is the concern of the State that gambling, like other indulgences such as drinking of alcoholic liquor, should be kept with reasonable bounds, but this does not imply that there is anything inherently wrong in it."

Perhaps even more to the point is this excerpt from the recent report of the New York City fact-finding team which studied off-track betting in a number of countries, including England:

"The principal and best-organized opposition (in England) to the betting shops--as well as to all forms of gambling--comes from the Churches' Council on Gambling, of which the Reverend Mr. Gordon Moody is the General Secretary and operating head Mr. Moody made it clear that the aim of the Churches' Council on Gambling is to achieve as wholesome a system of legalization as

possible, rather than to oppose it totally. The Council has not made a moral issue of off-track betting. It has recognized it as 'a thing people do' and, because it is, control rather than prohibition is the Council's aim Mr. Moody said ... that if he were in New York he would favor some form of legalization."

Control rather than prohibition. That is the crux of the whole problem as it relates to gambling, just as it was proved to be in regard to alcoholic beverages.

Can anyone willing to face the facts realistically say that we are not better off today morally, socially and economically than we were during the days of national prohibition? Can anyone truthfully say that we would not be better off under a system of legalized, controlled gambling than we are now in giving illegal support to a criminal empire which reaps profits of billions of dollars a year?

At any rate, the State of New Jersey not once, but many times, has passed judgment on the morality of controlled gambling. That issue has long since been decided.

We come now to the consideration of the second issue: does a lottery impose an unfair burden on those least able to pay?

In the first place, no one is obligated to participate in a lottery. In the second place, in this day and age, there are few among us who could not afford two or three dollars once or several times a year for the purchase of a lottery ticket.

Let me quote Edward J. Powers, Director of the New Hampshire Sweepstakes, from a survey and analysis of the 66 major money winners in their first sweepstakes. This survey showed "the average buyer of a \$3.00 ticket is a reliable, responsible family man or woman with several children who enjoys taking a chance and who thrills at the opportunity of winning a substantial prize for a small investment." The survey further showed that the Sweepstakes "is drawing its patronage, in the main, from persons who can afford to risk the gamble on a \$3.00 ticket, and from all economic levels of our society. It is not drawing the bulk of its support from those who can ill afford spending the money as some of our critics have claimed. Purchasers of the tickets come from all walks of life--attorney, milkman, beverage distributor, retired school teacher, widow, sales manager, retired police officer, housewife--and from the broad middle class, the backbone of our economic structure. This survey reaffirms our conviction that the Sweepstakes is a good, wholesome program appealing not to the inveterate gambler but to the average American citizen or tourist who buys but 1 or 2 tickets in the spirit of relaxation and entertainment." Significantly, most of the 66 winners in this survey bought 1 to 5 tickets; 29 of them bought only 1 ticket. And 31 of them were women.

This brings us to the third of the principal objections of the anti-lottery people--the experiences of the other states in the last century, and these people usually refer to the Louisiana lottery of the late 1800's.

There is no question that the Louisiana lottery constituted an abuse. The practices of the private operators of the lottery amounted to fraud, and it was abolished in 1893. But is this to say that in 1966 we are incapable of conducting an honest lottery? Congressman Paul A. Fino, the sponsor of a national lottery, has summed it up well:

"There can be no doubt of the fact that many lotteries were blatantly misused So were many banks and corporations. It would be eminently unfair to single out the lottery as the financial monster of the period, for lottery operations in that era, like banking and corporate operations, were the approximate products of rather unseemly times. Banks and stock companies ... have since demonstrated their ability to develop sound management techniques and responsible forms of operation. Lotteries, however, have never had an opportunity in the United States to mature with the times."

Are we to say now that we are less capable of conducting an honest lottery than the Irish, the Spaniards, the Japanese, the Mexicans, the French, the Danes and many others? Are we to be forever plagued by the corruption of a corrupt era?

With one exception, Cuba, there has not been, to my knowledge, a single instance of corruption in a modern-day lottery anywhere in the world. On the contrary, government-sponsored lotteries have provided a legal, sensible outlet for the gambling urge, guaranteed the honesty of the operation, and transferred vast profits from elements operating outside the law to a great variety of public benefits.

Why should we expect less of a State-operated lottery in New Jersey?

A State lottery, too, would retain within our State at least some of the thousands of dollars which are now sent overseas through illegal but widespread participation in the Irish Sweepstakes, and would certainly divert to legal channels untold sums of money which are now otherwise gambled illegally.

A State lottery admittedly would not be the last word in the fight against the gambling syndicates. But it would be a beginning, and an important one, because it would hit organized crime where it hurts the most.

Let us discard the false assumption that we cannot conduct a decent lottery, that our standards of morality and honesty are not as high as those of Europe and Latin America. Let us have the courage and wisdom to do what our neighbors in law-abiding New Hampshire have done. And at least let us have the fairness to let the people themselves decide the issue by voting on the constitutional amendment proposed by SCR 7.

The anti-lottery people's fourth argument is that New Hampshire's experience in its first 2 years has shown that the lottery is not as popular with the people nor as financially attractive to the State as its proponents claim. In New Hampshire they held 1 sweepstakes each year. During the first year, the sweepstakes grossed \$6 million dollars and netted the State less than half of that. During the second year, both the gross and net revenues declined.

But I would call to this Committee's attention the following facts: (1) The New Hampshire lottery was a sweepstakes, an expensive type of lottery. (2) The sale of tickets in a state like New Hampshire was limited severely by Federal law. (3) New Hampshire's population is less than one-tenth of New Jersey's. (4) New Hampshire is not the corridor state that New Jersey is between 2 of the largest cities in the Nation.

Last year, our Treasury Department estimated--conservatively, I believe--that 1 sweepstakes a year in New Jersey, like the New Hampshire sweepstakes, would gross \$66 million and net \$30 million. But this estimate was based largely on the comparative populations of New Hampshire and New Jersey and did not consider adequately the differences between the 2 states nor the fact that other more remunerative lotteries can be conducted and that several of them can be reasonably held each year.

The last point of the anti-lottery people claims that with the enactment of a sales tax the primary reasons for a lottery no longer exist. I find this argument unacceptable. It appears to be based on the notion that the sales tax will produce all the State revenues required to provide the State services necessary and to provide the additional local aid we should be providing. And this is not so. We all know that many worthwhile and desirable programs outlined by the Governor earlier this year and which should have high priorities were necessarily eliminated or drastically cut because of the lack of revenues. To mention only one, the recommendations for new college construction was cut to a fraction of the initial request.

The sales tax law which we enacted has already been amended. I believe that during the coming years we will be amending it again and again and I, for one, would support amendments to enlarge the exemptions for the benefit of those least able to pay it. It seems to me that the revenues from a State lottery will make these increased exemptions possible and, who knows, if we go far enough, we might even repeal the sales tax.

I have imposed on your time enough already, but let me make several additional points in conclusion.

1. 1966 is the year for a referendum on a State lottery. Our sister state, New York, will have that question on its ballots this November. If it succeeds--as I think it will--New York may well have a State lottery starting next year and a considerable part of the revenues derived therefrom will come from New Jersey, revenues that we should be using here at home to help solve our own problems.

2. A State lottery in New Jersey would create a new industry and new jobs and I submit that this offers an excellent opportunity to use effectively the talents and services of our senior citizens and to provide them with employment opportunities now not always available.

3. I do not consider the revenues to be derived from a State lottery the most important reason for adopting it, although it could result in considerable revenues to the State, similar to the revenues following the repeal of prohibition.

Laws against lottery cannot be enforced because no law which divides public opinion or is contrary to the reasonable demands of human nature can be enforced. Legal lotteries without question will lessen illegal gambling.

4. The people, I am convinced, are for a lottery and, in the absence of initiative in this State, the Legislature should give them the opportunity to vote on this issue.

I have attempted here today to show in the statement presented to you that a state lottery is not immoral, that it does not impose a burden on those least able to pay, that it can be conducted fairly and honestly, that the revenues to be derived from it can be considerable, and that the recent imposition of a sales tax does not diminish the arguments for it. Further, I have tried to show, in these papers I have filed with the Committee and I have repeated over the years, the past 15 years to be exact, that this is the year for a statewide vote on this question and that it will create a new industry and new jobs, hopefully primarily for our older citizens.

For all the reasons I have espoused over the years and what I have presented here today and, primarily, because I believe the people most of all have the right to decide - a right that we have thus far denied them - such an issue, I respectfully urge this Committee to report favorably on SCR 7 so that we can have a vote on it in the Senate.

In conclusion, may I express my sincere thanks again to Senator Ridolfi for hearing me out and for calling this public hearing. I shall be only too happy to answer any questions the Committee may have now or later on, and I will

ask the Chairman for the privilege of sitting with him during this hearing.

SENATOR RIDOLFI: We shall be happy to grant your request, Senator. Will you please take your seat beside me.

The next witness that we have listed for today is Ambassador Phelps Phelps and, Mr. Ambassador, if you will take the chair here and speak into the microphone, we shall be glad to hear your statement.

P H E L P S P H E L P S: Mr. Chairman,

I have always been interested in state-run lotteries, as one means of helping to relieve the taxpayer of some of the burden he carries. Before the last world war, when I was a member of the New York State Senate in Albany, I introduced bills to establish a lottery for New York State each year I was a member of that body. Unfortunately, enough members of the Senate Judiciary Committee opposed it and never allowed it to be reported out despite a motion to discharge it. Further efforts were made in succeeding years, but it was not until a few months ago that the Albany Legislature was able to pass a

lottery bill, and this fall the people of New York State will be able to decide for themselves whether they want a lottery or not... just as the people of New Hampshire decided the issue several years ago. In the case of New Hampshire, the decision was in favor of a lottery, which has become a big success. And much of that success by the way, is due to money from New Jersey, New York, Pennsylvania and other nearby states. And speaking of money going out of the state, much New Jersey money also finds its way to Mexico and to Ireland for tickets in the sweepstakes run by those countries. In fact, it is estimated that 90 per cent of the money involved in the Irish sweepstakes comes from the United States. Those millions would at least help us to make more progress in the balance of payments fight, if we could keep them over here.

And the State of New Jersey certainly could use the money now going out of the state, to help ease the burden on the taxpayer. But as things stand now, the amount of money going out of the state may increase after this fall, if the people of New York decide to establish a state-operated lottery. The odds are in favor of a vote to establish such a lottery.

Now, what does the loss of this money do to the economy of New Jersey? For one thing, it reduces consumer spending, which in turn reduces the amount of taxes the state government can collect. This could conceivably lead to an increase in taxes, or to a reduction in government services. A reduction in consumer spending also leads to a reduction in

profits for business, and in turn to a reduction in business expansion, and to a reduction in new businesses.

When the government finds its income dwindling, it must either increase taxes to meet its obligations, or it must eliminate some of the obligations. This could mean a reduction in the amount of welfare assistance the state can afford to give. It could mean a reduction in the amount of medical aid and public health help the state gives. It could mean a reduction in the amount of money that goes for educational help, a reduction in the amount of construction money for schools, for hospitals and other necessary work including repairs on roads and bridges. It could mean a reduction in the number of people employed by the state to handle these operations. The alternative is another jab at the

taxpayer's pocket book, which is already skimpy from previous blows.

I have always failed to see the reasoning behind the opposition to a state-wide lottery. Lotteries themselves are as old as the hills. The Roman soldiers cast lots for the garments of Jesus Christ. And in one form or another, lotteries have come down to us through the ages. And in one form or another, they are indulged in today, legally or illegally. Slot machines-- the so-called one-armed bandits -- pinball machines, wheels-of-fortune, workers raffling off pay-checks, bingo, keno, the numbers racket and so on. Even church groups sponsor bazaars or other events that feature bingo and wheels-of-fortune in various guises. This goes for churches of all denominations. A Temple in Fair Lawn,

New Jersey, proclaims in a large sign that all are welcome to Tuesday night bingo.

Lotteries are legal so far as the State of New Jersey is concerned, if the proceeds go for a charitable cause. I can think of no more charitable cause than easing the burden of the New Jersey taxpayer, a burden that is destined to increase with the years, as more and more demands are made by state and local governments, as well as the Federal Government.

I do not recall which economist said this, but during the post-world war two era, when Britain was straining to bring her war-time economy back to a peace-time keel, it was pointed out that she was taxing her people above 50 per cent. And a

leading economist said that no nation can tax its people more than 25 to 30 per cent in peace time, and yet maintain a sound economy. When you consider all the income taxes, the sales taxes, the excise taxes, and all the other taxes, hidden or otherwise, that the people of this state pay, it's a wonder that the taxpayers have enough money for the famous barrel they are supposed to wear.

There is another, and a very important, reason why the legislature in Trenton should pass a lottery bill. They are morally bound to do, because the people have a right to decide the issue for themselves. Members of the legislature are supposed to represent the people who elected them, and to do all they can to carry out the wishes of their constituents. In voting for a lottery bill, the legislators are not voting for a lottery or against it -- they are simply voting whether to place

the matter before the people in a referendum, or not. And I maintain that if they do not place this measure before the people, they are denying the people one of their inherent rights. When the government wants to float a bond, or to finance some large project with a loan, the matter is put before the people in a referendum. Why then, are the people denied the right to decide on a lottery, which will be used to finance government projects that would otherwise be financed with money taken from taxpayers who can ill afford the increase.

There is no way of telling just how much money a state-operated lottery will produce, because there are too many variables. But estimates run from a low of 20 million dollars to a high of 300 million dollars a year. If we take a mean -

160 million dollars a year -- we can get some idea of what this would mean to the New Jersey taxpayer. For one thing, he could have escaped that 3% sales tax which is just around the fiscal corner waiting to get its claws on him.

But the main point is that the taxpayer must be given some relief, otherwise sooner or later, we will dig our way into another depression, despite all the complex safeguards that local, state and federal governments have contrived to prevent it.

Thank you.

SENATOR RIDOLFI: Thank you, sir. I have a request for a gentleman to appear as early as possible and make his presentation because he must leave for New York. Is James M. Fitzgerald present? Mr. Fitzgerald? [No response].

Next on the list is Franklin Kistner, President of the New Jersey Jaycees. Mr. Kistner? [No response].

SENATOR RIDOLFI: Edgar N. Dinkelspiel, Councilman, Long Branch, New Jersey.

EDGAR N. DINKELSPIEL: Chairman Ridolfi, Senator Musto, I am Edgar Dinkelspiel of Long Branch, New Jersey. I appear before this legislative committee today as a private citizen from Long Branch. I have been a former City Commissioner and at present am a Councilman-at-large.

I have for many years advocated a state lottery to raise much-needed funds for schools, hospitals, etc., and to relieve the staggering taxpayer from the awesome burden of the present state tax load.

Over 10 years ago we heard the same objections and the same objectors, who then were perhaps a bit younger and not as wise as today, fight us every inch of the way. Nevertheless, we finally pushed through the bingo-raffle legislation for charitable groups. At that time I was chairman of the legislative committee of the Monmouth County Firemen's Association. We heard the anguished cry of those who protested against gambling and all its accompanying vices. Well over 10 years have passed. The only consequence that has happened, and I am happy to say, has been that many churches, fire companies, first-aid organizations, and other civic groups have prospered to the mutual benefit not only of themselves but of the communities in which they are located. Many people who are affiliated with them and untold thousands of less fortunate persons, through these charitable things, have had relief. Beleaguered taxpayers have had their burdens lightened in the support of their fire companies, churches, and fraternal

organizations.

A state lottery at this time would help relieve the citizens to a great extent from taxes and will forestall the enactment of a state income tax. The operational mechanics of such a lottery should be run about the same as a non-profit one is now being run - without a large staff of personnel. The municipal clerks in each municipality should be used as sales headquarters for the raffle tickets and raffle books.

I have here a motion, sponsored by me as a Long Branch Councilman-at-large, which was endorsed by the City Council, as per the enclosed certified copy, at a meeting of the Council on May 26, 1966. And I read:

"Mr. Dinkelspiel moved, seconded by Mr. Ippolito, that Council go on record as approving a State Lottery. Carried. Roll call. Ayes 6. Abstaining - 1 - Cioffi. Absent -2- Phillips, Marks."

And a certified copy:

"I, Sanita J. Camassa, City Clerk of the City of Long Branch, do hereby certify that the above is true copy of a motion duly made and seconded, at the regular meeting of City Council held on May 26, 1966."

Too long have large sums of money been siphoned into illegal channels by the racketeers and tin-horn gamblers, to dope and prostitution, depriving the people of New Jersey of the benefits that they would receive by a legalized state lottery. In addition, taxes from these lotteries would further swell the State's coffers. The time has come for the Legislature to give the people a chance to vote on this issue.

I call upon this Committee to report favorably on the question of a state lottery. Thank you very much.

SENATOR RIDOLFI: Thank you, Mr. Dinkelspiel. Do you have a statement for the Committee, sir?

MR. DINKELSPIEL: Yes, sir.

SENATOR RIDOLFI: Is former Assemblyman Werner available?

May I extend now the privileges of the floor to Mr. Werner, former Assemblyman from Camden County.

F R A N C I S J. W E R N E R: My name is Francis Joseph Werner from Camden County, a former Assemblyman, and now a voter from Camden County.

First, I want to thank this Committee for having this public hearing. Inasmuch as we had one back in 1964, I think the time is right now, as Senator Musto indicated.

As a former Assemblyman, I introduced a lottery bill 12 years in a row - from 1953 to 1965, and at no time was it favorably reported out on the floor for a vote. I feel, as Senator Musto does, that now is the time, and I would like to cite a few reasons why:

Inasmuch as we are going to have a sales tax, and I think that each and every person in the State of New Jersey knows that, as the bills mount up, the sales tax will also rise to 4 per cent, 5 per cent, as it did in our adjoining states, and I feel that this would supplement it or perhaps even lead to having it rescinded at some future date.

Some of the reasons why I think a state lottery would

be the will of the people are: We are a corridor state. We fortunately happen to be geographically located where millions of people go through our State who are going to the south or going to the north. We have a tremendous industry in our shore industry which attracts visitors by the millions. These are all potential people who would possibly buy a ticket in a state lottery. I feel that anybody who doesn't want to gamble won't gamble anyway, although I think it's asinine because when we get up in the morning we gamble that we'll see the day through.

I feel that if we were to have a referendum, by the many thousands of phone calls, letters, and telegrams I received during my twelve years up here, that the people want the opportunity to say yes or no. I can't even walk down the street without people stopping and saying, "How's the lottery coming?" It seems to be on their minds. You have to remember that Americans by the thousands participate in the Irish Sweepstakes - illegally, yes, but certainly not immoral in the eyes of the participants.

In our own State, on every single occasion when the people have been asked to express themselves on the liberalization of gambling, they have voted affirmatively. In 1939 the people of New Jersey voted better than 3 to 2 in favor of para-mutuel betting. In 1947 the people of this State approved our new Constitution by a vote of better than 5 to 1, including its gambling provisions. In 1953 the people of this State voted better than 5 to 2 in favor of a Constitutional Amendment authorizing the

conducting of bingos and raffles by non-profit organizations. In 1959 the people voted 3 to 2 for the adoption of our amusement games and laws. In 1961 our people voted better than 5 to 3 to extend the 1959 amusement games to agricultural fairs. In every one of these instances, where the people had an opportunity to express their choice, they voted overwhelmingly for legalized gambling under strict state control.

The Jaycees in Camden County, inasmuch as the state representative isn't here, I know voted for a state lottery. Since I am no longer a member of the Legislature, I have participated in my local church bingos, and I felt that this was something I could help my church do. And even though we have an overwhelmingly large crowd twice a week, I might say that 70 to 90 per cent of the participants are not from the church I go to, which is indicative that all people like to participate in bingo, regardless of what their religion may be.

I feel, Mr. Chairman, that this is the time that SCR 7 should come out. I think it should be reported out and that the people should be given an opportunity to vote on it. I am sure that if they are given the opportunity, it will pass by over 10 to 1.

I know this will be repetitious by speaker after speaker, so in conclusion I would like to thank Senator Ridolfi for calling this public hearing, because I feel that this is the democratic way of doing it. I know if it is put before the people by referendum, it will justify your reporting it out of committee. Thank you.

SENATOR RIDOLFI: Thank you, Assemblyman. Do you have a statement that you would like to present?

MR. WERNER: No. It was extemporaneous.

SENATOR RIDOLFI: I will now call on Rev. Samuel A. Jeanes who speaks in behalf of the New Jersey Council of Churches as their Legislative Chairman. Rev. Dr. Jeanes?

R E V. S A M U E L A. J E A N E S: Mr. Chairman, Senator Musto: My name is Samuel A. Jeanes of 6541 Cedar Avenue, Merchantville, New Jersey. I represent the New Jersey Council of Churches, which I serve as Chairman of their Legislative Committee.

The New Jersey Council of Churches which represents 15 state and regional bodies of 12 denominations in this State is unalterably opposed to any further extension of gambling, and we are specifically opposed to SCR7 which is before you today.

A lottery is not a good thing. New Jersey has a law that says so. Chapter 121 of Title 2A of the Administration of Civil and Criminal Justice of the New Jersey Statutes says it is not good. It calls it a misdemeanor to sell lottery tickets, to issue lottery policies, to enter into any agreements dealing with a lottery, to advertise a lottery, to permit a lottery on premises, to possess lottery paraphernalia, to work in the lottery business, or to transmit messages or packages relating to lotteries.

We oppose a lottery because its history is one of crime, scandal and corruption.

SCR 7 would brush aside what we have been saying about the wrongness of lotteries since 1748, when New Jersey, one of the original thirteen colonies, outlawed it because lotteries were breeding crime and corruption. It is regrettable that our lawmakers are even considering this worn-out lottery scheme which has been tried no less than 1,371 times in the history of our nation until the abuses got so bad in the last remaining lottery in Louisiana that the federal government was finally forced to protect the public by choking off the lottery with a law that barred all lottery material from the mails. That happened in 1895.

But lest anyone hastens to conclude that lottery is much more respectable than it was in 1748 or even in 1895, let me quote a body in this State which every lawmaker and, we trust, every citizen respects for its fairness, its high degree of intelligence, and its objectivity. That body in 1960 said some words regarding a bookmaker which apply to lotteries. It said: "Gambling is an ancient foe of society. It bilks the weak. It wrecks homes and destroys men. It spawns embezzlement, larceny and violence. It corrupts officialdom." Who said that? The New Jersey State Supreme Court said that in 1960, and their denunciation of gambling in 1960 was even stronger and more specific than the words that outlawed lotteries in this State in 1748.

Not only do we oppose a lottery because of the experience of the past but because of the judgment of knowledgeable people in our nation who continue to warn us against walking down

a pathway that has been disastrous in days gone by and still threatens to do us harm if we traverse it again.

Herbert J. Miller, Jr., The Assistant Attorney General of the United States in the Criminal Division of the United States Department of Justice, says:

"The history of lotteries in this country indicates that each time a state used them as a source of revenue, a large share of the take went to the promoters of the lottery in spite of the controls enacted along with the lottery legislation. Corruption of officials charged with the administration of the lottery seems to have taken place as a matter of course. This was undoubtedly due to the large sums of money put in the hands of the lottery promoters." And Mr. Miller went on to say:

"Lotteries have the effect of introducing more people to gambling and encouraging their participation. The success of a lottery depends on widespread participation. This is necessary to accumulate a large enough fund to provide significant prizes from only about 50 per cent of the gross. A chance is sold at a nominal amount with the prospect of winning a large amount of money, but at great odds. These factors combine to produce a situation which is attractive principally to the ignorant and people who can least afford to gamble."

That is a quote of the Assistant Attorney General of the Department of Justice of the United States.

Harvard University, in a recent study on this subject, concluded:

"If history teaches us anything, a study of over 1300 legal lotteries held in the United States proves these things: they cost more than they brought in if their total impact on society is reckoned; and that 160 years' experience indicate clearly that the most careful supervision cannot eradicate the inevitable abuses in a system particularly susceptible to fraud."

These are not words of church councils, theologians or clergymen. These are the words of lawmen, educators and even the Supreme Court of the State of New Jersey. They say that gambling and lotteries are not good even though SCR 7 would say that they are.

We oppose this bill because we can see no purposes set forth in it that cannot be met by the large anticipated revenue of the recently enacted sales tax. Furthermore we know that under our State Constitution revenue cannot be designated for specific purposes. We would, therefore, question the accuracy of the bill - and I notice that it has been amended. But previous bills have again and again presented good causes to ask the people to endorse what we consider a bad thing. So I would like to continue with the statement here, even recognizing that there has been an amendment. We would, therefore, question the accuracy of the bill in its original form in its efforts to popularize a bad thing with good purposes. The sales tax revenue should strengthen our road program, our public welfare, and

our schools. And according to a news story, our veterans have not really been neglected, for they received in one year \$183,000,000 in public money in pensions, services, and considerations because of their prior military service.

There is absolutely no excuse for this proposal unless the lawmakers have developed an insatiable appetite for tax revenue that compels them to try to drain the last possible dollar out of the pockets of the citizens, and particularly those weak people like the compulsive gamblers. Every need spelled out in this proposed legislation must be covered by the contemplated revenue coming from the new sales tax. This will place in your hands more money than has ever been administered by any legislature in this State. Or is it the purpose of the proponents of this measure to secure large sums of money in the public treasury to be spent at their own discretion?

We have always opposed this kind of legislation because it says in substance, "We do not expect all of the citizens to bear their fair share of taxation for these causes and services upon their ability to pay. We only expect those people who are the victims of the gambling neurosis to bear these fair costs of government."

We are very opposed to this bill because we can see in it an intent to carry gambling into every city, town, village and hamlet of this State. And we can visualize the State of New Jersey going into the advertising business like the State of New Hampshire did when it, through billboard advertisements and through other media, enticed its citizens and

its visitors to come to the liquor stores, the race tracks and the turnpike plazas to buy lottery tickets because their sales had dropped by 50 per cent. And to sell 20,100,000 lottery tickets is going to require quite some advertising. Counting all of the repeaters and out-of-state people, the total attendance at the race tracks last year was 3,226,670 people - a long way from 20 million. In our population of six and a half million, over two million are below the age of 21. A little arithmetic will indicate how many family pocketbooks would be tempted to get rich quick and you know that most of our citizens are too smart for that, to say nothing about having deep moral convictions about the wrongness of the State engaging in something which it has already spelled out in detail in Chapter 121 of the Civil and Criminal Code as illegal.

We call for unfavorable action on SCR 7 because it offers the same old gambling formula better described as the charity racket that has persisted through the years. New Hampshire has it. The first year, \$6 million worth of lottery tickets were sold, but the State received \$2.5 million. What happened to the other \$3.5 million? That's where the gambling formula comes in. That's the cost of operation. It's that cost of operation that made some politicians millionaires in the Irish Sweepstakes. The formula in Ireland is 40 per cent for the ticket seller, 40 per cent for the gambling operation, and 20 per cent for the good cause.

Now, I know some people will say, "but look what we

have been able to build with lotteries -churches, hospitals, homes, schools" - but it costs twice as much, if not more, to build them that way - and you might stop to ask, "What have you been tearing down in the process in the way of character and homes and economics?"

We also oppose this lottery because we can foresee the possibility of some lucrative plums that might be created in its operation on a state and local level. We ask you, "Do we have here the same possibility now existent in the race tracks where the operators have become wealthy but most of the patrons have lost - some of them have lost everything, including their reputations, their characters, their homes and families?"

Certainly you know that this could have an unfortunate impact upon the standard of living of many families. Heads of families could succumb to the chance of big stakes, to say nothing of the allurement of the State's advertising, and they could pour sizable sums of the family income into the purpose of lottery tickets. And there are those who will stake their hope on a lottery ticket instead of an education or on hard, diligent work that could improve their job potential. You know the impoverishment of nations in Europe and South America that depend on lotteries to run their government. Their people are unspeakably poor and their whole economy is constantly being bolstered up by generous American dollars that our citizens have earned, not won in a lottery.

Years ago the people of this State were told that if

we would legalize pari-mutuel betting at the tracks, this would satisfy the gambling urge. But history has taught us that the gambling promoters are never satisfied. And if we legalize a lottery this year, the pressure will be on for off-track betting and then why not slot machines, too?

May I quote to you from the Eighth Annual Message of former Governor Robert B. Meyner, given in this very room, on January 9, 1962, to the members of the Legislature. He said:

"I would warn you here that the very effectiveness of our policy on gambling may hold an element of danger. It may be reasoned that if we have pari-mutuel wagering, if we have bingo, raffles, and amusement games on boardwalks and at county fairs, if we have all this without abuse and virtually without incident, what harm in a little more, or maybe a lot more? Be careful of the inch that may become a yard. The whole history of gambling in our society resembles the swing of a pendulum - toleration, followed by excess, followed by repression. You should not lightly disturb the happy medium."

These are the words of former Governor Meyner.

It has been said that the people should decide this. But in our form of government, you are the elected representatives of the people. There are areas in our total life where you must vote to protect the people. There are forces that stand to profit and profit greatly by a lottery. If this should be put on the ballot, those who would stand to profit could pour money into public relations programs

that would unduly influence a referendum. There are many proposals that come before you every week. You do not pass them on to the people. Rather, you exercise your vote in behalf of the total good of all the people. This is one of them. We, therefore, urge you to report unfavorably on SCR 7 which is not good for the people of New Jersey.

Thank you.

SENATOR RIDOLFI: Thank you, sir.

Ladies and gentlemen, we have been joined by a colleague of mine, a member of the Judiciary Committee, Senator William Kelly of Hudson County.

I shall now ask Mrs. Elgin R. Mayer, President of the W.C.T.U. of New Jersey, to speak. Mrs. Mayer?

M R S. E L G I N R. M A Y E R: I am Mrs. Elgin R, Mayer of Yardville, New Jersey, President of the Woman's Christian Temperance Union of New Jersey.

Gentlemen, the Woman's Christian Temperance Union of New Jersey, representing more than five thousand people, appreciates the right to testify at this hearing on SCR 7.

We are opposed to any such bill becoming law that would amend the Constitution of New Jersey to permit the Legislature to authorize state lotteries.

When studying about the Louisiana lottery in school, I was unforgettably horrified at the deplorable conditions inflicted upon the masses of its people and state. Not long ago, another hearing on this floor presented a full file of similar proven evidence against state lotteries.

We are ever warned that they that barter unwisely shall, themselves, be utterly destroyed, and God has said

that the Government shall be upon His shoulders.

Gentlemen, you would do honor to our forefathers, who implemented Godly Government, putting forth every effort to uphold the good in the land, by so responding in like manner at this time - and I believe you will.

Thank you most sincerely.

SENATOR RIDOLFI: Thank you so much for your presentation, Mrs. Mayer.

Is there anyone who has a special need to leave early? Mr. Fitzgerald, do you have to leave early? May I call you next, and Mr. Kistner of the New Jersey Jaycees will then be called.

At this time, Mr. Fitzgerald, will you please take the chair to my left where there is a microphone?

J A M E S M. F I T Z G E R A L D: Good morning, gentlemen, Senators Ridolfi, Kelly and Musto; My name is James Martin Patrick Fitzgerald. I represent the Department of New Jersey, Veterans of Foreign Wars of the United States. I represent some forty thousand members of this organization.

At a meeting on January 16th, held here in the War Memorial Building, Trenton, New Jersey, my organization went on record as supporting Resolution known as Senate Concurrent Resolution No. 7, and the reasons for that are as follows:

We feel, as members of the Veterans of Foreign Wars, that we are active in our own organization in community service, which is one of the most important projects we

have in the Veterans of Foreign Wars. Included in that project, of course, is the fact that we have bingo, raffles, and so on, to raise money. In the course of doing that, we have looked into this program, as far as the Senate lottery program is concerned, and we feel it has merit; we feel that this program when properly controlled by a watch-dog committee of the Senate and the Assembly could do well for the state of New Jersey.

I realize that there is a moral issue involved in this, and I can well resolve the fact that American citizens like we all are here today are entitled to their own convictions, religious and otherwise. I, as a member of the Veterans of Foreign Wars, fought for my country in World War II. The day I swore as a member of the Navy, I swore my life to the government of the United States of America. The same way here, as far as the lottery program. We feel that the people of the State of New Jersey should be given the right to decide for themselves one way or the other whether they want this program or not, with the proper controls, of course.

Now, as far as the gambling end of this goes, I feel that over the years, and there have been several times during the course of the Legislature here where the people have voted many times in favor of various types of gambling whether it be pari-mutuel or otherwise. We feel here in the United States and in New Jersey that the Veterans of Foreign Wars have done a fine job with the moneys that have been realized through the Bingo and

Raffles Committee. This money has been put into community projects - the Boy Scouts and various organizations, and there are many, many of them. We have over a thousand projects here in the State of New Jersey. I have proof for the record of that, because last year I happened to be the Community Service Chairman for the 47,000 members of our organization. We rank ninth in the United States as far as our program goes.

So we feel, as I said before, that if this was handled properly and was controlled and watched by groups such as are here this morning, very much interested in the fact that it could get out of hand, then it could be a very good program. It could alleviate the taxes that are very burdensome today on the people as a whole. I know that recently a sales tax was enacted here in the State and, of course, a lot of people felt that this would be the over-all answer to our problem here in the State. But as a member of the organization, and as a first-class citizen, being a veteran who fought for my country, and doing it voluntarily, I feel that people are entitled to consideration to at least think for themselves and to have this put on referendum in November so they can decide once and for all whether they want this or not. I feel as a veteran that the people one by one are entitled to their own personal opinion, regardless of any groups in the State, and that goes for my own. This should be decided at the polls by the little people. I feel that, if this is handled properly, each and every part of this

program, with a watch-dog controlling it and providing that no gambling interests or anything else would be part of it, the money siphoned off into proper accounts, no matter whether it be for state institutions, highways, or any other particular problem that we may need to solve here in New Jersey, where money is needed - and we do need money; there is no question about that, for our institutions and our highways. We need a strong country, and to have a strong country you need a strong state, and it goes right down to our town level. We feel that the people should decide that.

So at this time, gentlemen, I close my remarks by stating that the Veterans of Foreign Wars, and myself as their representative, are in favor of Senate Concurrent Resolution No. 7. Thank you very much.

SENATOR RIDOLFI: Thank you, Mr. Fitzgerald.

I should like to now call Franklin Kistner, Chairman, New Jersey Jaycees, State Lottery Committee. Mr. Kistner.

F R A N K L I N K I S T N E R: Mr. Chairman, Honorable Senators and guests: It gives me a great deal of pleasure and pride to present to you the New Jersey Jaycees' position regarding SCR 7. In our Study Committee's final report, copies of which were mailed to the entire Legislature in February, we have recommended the establishment of a New Jersey Sweepstakes. I would like to make it known that fifteen months of study and hard work have been put into this project by the New Jersey Jaycees. And we also consider our findings to be conclusive and valuable to you in your

deliberations.

The purpose of the establishment of a New Jersey Sweepstakes is to:

- A. Raise monies to aid local education to:
 - 1. relieve the burden of high property taxes.
 - 2. provide our children with better education.
- B. Bring money into the state which would otherwise not be spent in New Jersey in:
 - 1. sweepstakes tickets sales.
 - 2. additional tourist trade.
- C. Permit an outlet for gambling that is:
 - 1. legal
 - 2. state controlled
 - 3. in keeping with the desires of the great majority of New Jersey residents.

The New Jersey Sweepstakes will return to the local boards of education an estimated \$46 million annually. This money would come from a gross income of \$78 million per year. Twenty-four million dollars would be distributed in prizes and the remaining ten per cent would be spent on the administration of the program.

A synopsis of how the figures were determined is as follows:

- A. The New Hampshire Sweepstakes grossed 9.6 million dollars in its first two years of operation. (Both years were used because one was considered good and the other bad.)
- B. New Jersey's population is eleven times that of New Hampshire. (Multiplying \$9.6 million by 11, the figure of \$106 million is attained.)
- C. Taking the following facts into consideration, \$50 million additional was added to the 2-year total:
 - 1. New Jersey's Proposed State-sponsored Lottery would be based on three races per year. (New Hampshire had only one race the first two years.)

2. New Jersey enjoys the benefit of having a large force of working people each day in the state who reside in New York or Pennsylvania. (New Hampshire has very few out-of-state workers.)
3. New Jersey is a "corridor" state surrounded by states populated by 28 million people. (New Hampshire is an "out of the way" state with few people just traveling through.)
4. New Jersey enjoys a very large tourist influx from other states, especially the New Jersey Shore areas each summer.

D. The total of \$156 million is halved, setting the average annual income of \$78 million.

The financial needs for the State of New Jersey in the future have been studied extensively by the New Jersey Jaycee State Tax Committee and the The New Jersey Jaycee State Lottery Committee. Both concur that the need for increased state revenues in the coming years are in the following areas.

1. State Aid to Local School Districts. (To help alleviate the burden of the property owners in New Jersey.)
2. Funds to build new colleges. (New Jersey ranks 48th in the nation in its support of secondary educational facilities.)
3. Funds to build new institutions. (New Jersey needs new penal, correctional, mental health, and hospital buildings.)
4. Funds to build new major highways in New Jersey and maintain all the present roadways of New Jersey to modern standards of safety and convenience.

The New Jersey Jaycee State Lottery Committee feels that a Commission should be established by the Governor to control the operation of the New Jersey Sweepstakes. The principal objective of this Commission would be to establish an honest, efficient, workable program that will control,

encourage, and promote the sale of tickets. Its principal function would be to generally administer the program.

The Jaycee Committee recommends that three races be held annually, one at each of our three major thoroughbred race tracks.

Tickets will be sold only in New Jersey at licensed race tracks, the Commission's office, toll plazas on the Garden State Parkway and the New Jersey Turnpike, Newark Airport, banks, Motor Vehicle Bureau offices and at major tourist attractions. All tickets would be sold only by state employees. The price of a sweepstake ticket would be three dollars. They will be sold from specially designed ticket-dispensing machines, where the purchaser prints his name and address on each ticket and receives an acknowledgment of purchase. This acknowledgement is non-saleable and non-transferable, and prizes are awarded on the basis of the name and address on the ticket which remains in the ticket-dispensing machine. Both the tickets and acknowledgments are printed on no-carbon-required paper, incorporating numerous safety features making it impossible for counterfeit tickets to enter the system. The tickets are in continuous form in consecutive numbers and this feature provides internal safeguards, quick accountability, and expeditious filing. It will be possible for a person to purchase tickets in the name of relatives or friends, as well as social, business, charitable or religious organizations. Non-residents may

also purchase tickets at the authorized locations. Mail orders for tickets will not be accepted by the Commission in compliance with federal law. The number of tickets which may be purchased by an individual would be unlimited. Business firms may purchase tickets as incentives for their employees or as promotional items for their customers. Daily computer reports account for the sale of tickets at each location, then tickets are transported to one main bank designated as the Sweepstakes Commission's clearing house, where they will remain in vault storage until time for the public drawings.

The drawings are used to draw tickets at random and match them with all horses nominated for the race. The amount of the prizes is determined by whether the horse runs in the race and, if so, where it finishes. All drawings are conducted in public. For each \$1,000,000 worth of tickets sold, two tickets will be drawn and matched with each nominated horse. Thereafter, 150 tickets will be drawn as consolation prizes of \$100 each.

Prizes for each million dollars in income will be awarded as follows: 2 owners of tickets on winning horse - \$50,000 each; 2 owners of tickets on second horse - \$25,000 each; 2 owners of tickets on third horse - \$12,500 each; owners of tickets on other starters (two on each) share in a pool of \$40,000; owners of tickets on non-starters (Two on each) share in a pool of \$120,000, and there will be 150 consolation prizes of \$100 each. In summary, for every million dollars of ticket sales, total

prizes will value \$350,000. This prize schedule gives excellent distribution of the prize money and leaves more of it with the public after taxes than if the prizes were higher and fewer.

The New Jersey Jaycees do not pretend to be the composers of this system. Almost all facets are taken from The New Hampshire Sweepstakes. Nevertheless, the committee feels that they are the best methods possible.

The New Jersey Jaycee Lottery Committee recommends that handicapped persons be hired by the Sweepstakes Commission as ticket sales clerks wherever it is practical to do so.

In a period of five months 91,000 people signed the following petition: "WE, the undersigned, being adult residents of the State of New Jersey, hereby petition the General Assembly and Senate of New Jersey to enact forthwith legislation to establish a referendum asking if a state-controlled lottery for the purposes of obtaining additional income for the state is in keeping with the desires of the electorate." The total now exceeds 110,000 signatures, all of which are on your table at this time.

Citizens of every walk of life and possible conscience were contacted by the 9,000 Jaycees of New Jersey. Every income bracket, religious affiliation, and racial origin were sampled in over 500 communities and in all counties. Ninety-three per cent of the persons so approached signed the petition. This percentage is fortified by the very

active participation of New Jerseyians in the stock market, at race tracks, in contests of all descriptions, and in bingo. The New Jersey Jaycees feel that the people have given a mandate to the legislative bodies to secure a New Jersey Sweepstakes for them, as evidenced by their signatures.

Lotteries have played a major role in the development of our pre-revolutionary country and the effects are still felt today. The Revolutionary War was financed by hundreds of lotteries in each of the colonies. The funds were raised to pay enlistment incentives, build armories, finance town defenses and fortification, purchase arms and uniforms and finance campaigns.

Due to a lack of banking facilities, the colonial New Jerseyian was hard-pressed for financing. To see his home or furnishings, when there was no one with capital enough to buy it, the New Jerseyian would divide the property into lots and run his own lottery.

Civil governments raised their funds for construction of meeting halls, town halls, jails, roads, bridges, pest houses for communicable disease, poor-houses, lower schools and colleges from the proceeds of state-run lotteries. Worthy projects and group undertakings were authorized by the state to raise funds by lottery. Some projects were Masonic meeting halls and church construction. There were no denominations of churches that did not finance with this method. From 1790 to the Civil War no less than 47 colleges and approximately 300 lower schools were financed, and 200 churches of every faith were the recipients of

lottery financing. In 1789, Union County Academy was financed and in 1793 seven New Jersey academies, in addition to Newark Academy, were built from this popular method. In 1812-1823 Queens College, now called Rutgers, was constructed with similar financing. Dartmouth, Harvard, and Princeton also saw aid from the lotteries.

A review of the historical background of lotteries reflects their failure for one or more of the following reasons: not enough tickets sold; lack of control over unsold tickets; inability to account for funds; too many people involved to control the system properly; allowing promoters and private persons to operate the lotteries; corruption and political interference; improper selection of winners and collapse through lack of public confidence.

It is apparent that with a fair knowledge of these problems and the implementation of strict controls to offset them, an honest and equitable program can be conducted as is presently being done in the State of New Hampshire.

Recent attempts toward bringing the lottery back to a state fund-raising tool commenced in 1954. The present Jaycee effort proposes to use a lottery once again to further aid public education.

The New Jersey Sweepstake Commission will be prohibited, as is the New Hampshire Sweepstakes Commission, from selling tickets through the mail, transporting advertising material across state lines, or advertising

on radio or television. These actions are prohibited by sections 1301, 1302 and 1304 of chapter 61, Title 18, of the United States Code. There are other laws which also pertain to lotteries (such as Chapter 50, Title 18; Chapter 51, Title 39; and Chapter 95, Title 18 of the United States Code), but the main obstacles lie in Chapter 61.

We must point out that these laws were adopted to prevent crime and to increase the punishing power of the government. All legal gambling in effect at the time of these laws were exempted. Since no state lotteries were in existence at the time, they obviously were not exempted.

We strongly urge our U. S. Senators and Representatives in Washington to join with their counterparts from New Hampshire in their efforts to amend these laws.

It seems unfair that a winning pari-mutuel ticket can be mailed to any track in the country, with payment made by return mail, while at the same time a person in California cannot purchase a ticket on the New Hampshire Sweepstakes.

One of the main endeavors of the New Jersey Jaycee State Lottery Committee has been to objectively evaluate all arguments concerning state lotteries; arguments that are both pro and con, historical and contemporary, factual and speculative, individual and organizational. It has been concluded, however, that the arguments which have the strongest inhibitory effect on any presentday sweepstakes

proposals have been based on the speculation of psychologists, sociologists, moralists, and editorial writers. These arguments have been difficult to answer because the discussions were academic and there was no way to judge their accuracy.

This is no longer the case. In November 1962 the people of New Hampshire gave the State Legislature a mandate to form a sweepstakes commission to develop and control one or more sweepstakes per year, with all net proceeds being directed to public education. This program is now in its third year of operation. We now have a laboratory in which the proponents of a lottery, as well as the opponents, can conduct research and objectively study the patterns as they develop. In spite of the fact that this laboratory has not had a chance to withstand the test of time, and realizing that there is much more to be done, any reasonable presentation of material regarding a state lottery in New Jersey must draw an analogy between existing conditions in New Jersey and those existing in New Hampshire.

Many of the socio-economic and educational problems of New Hampshire are similar to our own state, though on a smaller scale. However, it is also realized that there are many situations within New Jersey that differ greatly from those of New Hampshire. A critical analysis of these differences has shown that, if anything, they are conditions that are more favorable for a sweepstakes in New Jersey.

Be that as it may, one group of indisputable conclusions can and must be drawn from the New Hampshire

sweepstakes:

1. The perpetual cliches and antiquated arguments of the moralists are both anomalous and incongruous when applied to our current society.
2. A strict state-controlled lottery administered by qualified, competent, and trustworthy persons of established reputation can produce an equitable amount of revenue for education and other state needs while gaining public confidence through its honest operation.
3. It has been shown that a tightly-controlled lottery of this type does not produce a decadent society; it does not spawn embezzlement, larceny, and violence; it does not bilk nor even attract the poor and weak; it does not corrupt officialdom; it does not attract the inveterate gambler; it does nothing to perpetuate or increase the state crim rate.

On August 25, 1965, Dr. Kenneth Howard, Assistant Professor of Government at the University of New Hampshire and Director of the University's Public Administration Service, published the results of an extensive study on the first year's operation of the sweepstakes. Dr. Howard, in his report, stated: "the typical purchaser of a New Hampshire sweepstakes ticket is an out-of-state resident of better-than-average education and an income in excess of \$7,000 annually." He told government officials that "this is not a feasible system unless you have a high population concentration or a large tourist influx." (It should be noted here that whereas New Hampshire only has the latter, New Jersey has both of these means.) Dr. Howard continued, "It also requires a controlled means of ticket selling and a high degree of public confidence in the integrity of the program."

Some of the pertinent statistics resultant from the University study show that:

1. Eighty-eight per cent of the tickets sold were to out-of-state residents.
2. Less than 8 per cent of the winners were age 25 or under, with a median age range from 45 to 54 years.
3. Only 11 per cent had incomes of less than \$3,000 per year, compared with a national average of 21.4 per cent of all U.S. families in this category. At the other extreme, 31 per cent of the winners had incomes in excess of \$10,000 - more than double the national average of that group.
4. Seventy-three per cent of the winners bought 3 tickets or less, with less than 1 per cent of the group having bought more than 30.
5. Only 5 of the winners had 10 or more children and only one of these 5 had an income of \$3,000 or less. The others had an income in excess of \$6,000.
6. Eighty per cent of the winners had 4 or fewer dependents.

Gentlemen, the New Jersey Jaycees, along with the 110,000 people who signed our petitions, implore you to act positively upon this measure. We also urge you to establish a program along the lines outlined in our report. Thank you very much.

SENATOR RIDOLFI: Thank you, Mr. Kistner.

We will hear one more witness and then the Chairman will call a recess.

I will call Marshall Daniel Barr, Colonel, Retired, U. S. Army.

M A R S H A L L D A N I E L B A R R: Chairman Ridolfi, Senators Musto and Kelly, as the Chairman has indicated, I am a Retired Colonel of the U. S. Army, and I am representing only myself.

In the discussion of a problem like this - and I was here when a similar hearing was held in 1964 - some facts should be taken as the basis for a starter. First, it is generally recognized that there is extensive illegal gambling going on at the present time in New Jersey. Now, this illegal gambling takes roughly two forms: 1 - off-track betting through bookies; 2 - numbers or policy slips, which is a racket which involves millions of dollars, as exemplified by the fact that money to the extent of two and a half million dollars was found in North Jersey, later claimed by Mr. Moriority who has a reputation which speaks for itself.

With reference to some previous figures quoted, I have a telegram from the New Hampshire Sweepstakes Commission, which states: "About \$45 per student was returned to the state school districts to be used for public education. State aid to school districts was thereby increased by over 50 per cent."

Now, as the previous speaker pointed out, New Jersey has roughly 11 times the population of New Hampshire. The last figure I saw of the population of New Hampshire was 643,000. The population of New Jersey from the same Rand-McNally was 6,430,000. However, I will accept 11 to 1 instead of 10 to 1. Now, from a financial standpoint, if the State of New Hampshire was able to return for each student \$45 because he used the mathematics - I'll take the 10 to 1 - would mean the State of New Jersey could return to each school district \$450

for each student. In the case of my town, which is Long Branch, New Jersey, which has a school population of about 5500, that would mean \$2,475,000 for school aid. The 1965 school budget for tax purposes amounted to \$2,558,000 - I believe that is the correct figure - which means that if we had had this lottery going, as New Hampshire has, and on the assumption that we would be selling ten times as many tickets and receiving ten times the revenue-- it would mean that Long Branch would receive within about \$120,000 of their entire school budget, the entire taxable school budget.

The Long Branch record shows that 59.2 per cent of all taxes collected from property was for school purposes. That could have been reduced to at least - or in the order of ten per cent.

Going back to the existing and generally accepted and recognized illegal gambling, it is not difficult to those who wish to find a source to place an illegal bet. It can be almost anywhere. It is not hard to find. A previous speaker emphasized the disastrous effect on the poor families. With all due respect to him and his profession, I must take exception. Gambling in New Jersey is already legal, and the greatest number of advocates or sponsors of the present illegal gambling, outside of the race track, are the churches themselves with their bingo.

Recently, I attend a bingo at a church in Long Branch and it was very, very highly commercialized. During the course of the evening, nature acted and I made a quick

trip to the men's room, which was right next to the gymnasium where the bingo was held. During the time I was gone, they completed two games and started a third one, and that was a short trip. I saw many, many people there poorly dressed, obviously of low financial status and they were spending not three dollars, as this proposal by the Jaycees would set it - they were spending ten and fifteen dollars and some of them more, and these are the poor people that the clergy are crying in anguish about, the wrong people betting.

The previous speaker recommended four sweepstakes. I would go him one better, although I am not as qualified to speak on it as he is, because of the study he has made. But we do have four tracks in New Jersey, and I would suggest one sweepstakes for each track. That sweepstakes, four of them available, spread over the year would raise a lot of damage to the illegal gambling going on now through bookies. That's one fact.

As far as the illegal gambling is concerned, the policy slips and numbers, that is a two-bit or four-bit operation. Germany has a weekly lottery, as do other countries similar to it. This weekly lottery pays off, top prize, 500,000 marks - \$125,000,- and likely a similar amount in lesser prizes. If you win less than 500 marks, the mailman delivers it to you. It's all done by the government. It's all on the up and up, and I never heard of any sign of any impropriety or illegal

action in connection with that lottery. Those tickets sold for a mark - ten pennies - about twenty-seven and a half cents.

Now, in addition to four sweepstakes a year, if we established a weekly lottery similar to what the Germans have, where they pick out seven numbers out of 49, at 25 cents a ticket, that would draw away from the policy and the numbers racket and help our police and law enforcement officers a great deal in controlling, or even possibly eliminating, a major gambling activity as is going on now.

I feel and recommend to this Committee that they recommend to the full Senate and to the House that this bill be passed by an overwhelming majority not on the question of whether it is moral or immoral - the churches have already decided that when they sponsor and conduct large activities in bingo. That question is settled. But to give the people, themselves, an opportunity to pass on it. Thank you.

SENATOR RIDOLFI: Thank you, Colonel Barr.

We will now adjourn for fifteen minutes. I think the reporters can use a rest.

[R E C E S S]

(After recess)

SENATOR RIDOLFI: At this time I should like to call the Reverend Wilbert S. Hoffman, Millville Ministerial and South Jersey Methodist Church.

Reverend Hoffman, if you will please take the desk with the microphone.

R E V. W I L B E R T S. H O F F M A N: I come representing the Millville Ministerial in Millville, New Jersey, which consists of 17 churches, and also I am authorized to make a statement for the Presbyterian Church of the Southern New Jersey Area which represents 70 churches and consists of 29,959 members. And I am also authorized to make a statement for the Methodist Church of the Southern New Jersey Annual Conference which consists of 362 churches and represents 105,450 members.

In view of the statement that was just made before our recess, the implications were that the church as a whole has approved lotteries and gambling and so I think these two statements from the Presbyterian Church and the Methodist Church will refute that statement, and I am grateful that I belong to one of these that does not participate in such things as bingo and other means of gambling.

Let me read the Presbyterian Church statement.

The General Assembly has consistently warned against the sinfulness of gambling and Christians should recognize the fallacy of the "something-for-nothing" appeal.

The recent findings of the Senate Crime Investigation Committee have confronted us with the existence and pervasive

influence of the powerful gambling syndicates, which direct the gambling interests of our nation and involve law enforcement officers and business interests.

It is our conviction that "big-time" syndicate-controlled gambling grows out of "small-time" gambling. By participation in games of chance and wagers at bridge and golf games the Christian conscience may be dulled and powers of reason laid aside.

Therefore, we call on all church members to avoid taking part in any kind of gambling, even for charitable causes.

We urge church members to acquaint themselves with local and state laws regulating gambling practices.

We oppose all efforts to legalize gambling, and call upon sessions and presbyteries to do likewise, since it is contrary to Christian principles to seek public gain by exploiting human weakness.

We commend those citizens who have organized to bring about the elimination of corruption born of the alignment of gamblers and public officials.

We also urge churches and church members to do all they can by Christian means, to abolish commercialized and syndicated gambling.

We urge efforts, legislative and otherwise, to extend the ban on interstate sale and transportation of all gambling devices, even the so-called mild forms.

We urge cities and states to repeal pari-mutuel laws which cast an aura of respectability over professional

gambling.

We deplore the partnership in which certain cities and states, urged by a need for tax revenue, license gambling devices as "amusement games."

We would brand lotteries and bingo games in churches as particularly reprehensible, even though justified by law.

Gambling cannot be justified, even in a "good" cause.

This is the statement of the Presbyterian Church in the southern New Jersey area.

The statement that is to follow is from the Methodist Discipline which not only represents the churches in the South Jersey area but represents all the churches of Methodism, which is at this time 10 million at large.

From the Discipline of The Methodist Church of 1964, Paragraph 1820, Article 3.

We stand for the achievement of community and personal standards which make unnecessary the resort to petty or commercial gambling as a recreation, escape, or producer of public or charitable revenue. As an act of faith and love, Christians should abstain from all gambling and should participate in efforts to minister to those victimized by the practice, including compulsive gamblers.

And also from the Discipline of the Methodist Church in 1964, paragraph 1822, article 5.

Gambling as a means of seeking material gain

only by chance is a menace to personal character and social morality. Gambling stimulates the desire to get something for nothing, to acquire wealth without honest labor. It encourages a primitive fatalistic faith in chance. Organized and commercial gambling is a menace to business, breeds crime and poverty, and is destructive of the interest of good government

Legalized pari-mutuel betting has greatly increased gambling and stimulated illegal bookmaking. Dependence on gambling revenue has led many states to exploit the weaknesses of their own citizens. Public apathy and lack of awareness that petty gambling feeds organized crime have opened the door to the spread of legalized gambling. We support the strong enforcement of laws restricting gambling, the repeal of all laws legalizing gambling, and the rehabilitation of compulsive gamblers.

The Church has a key role in developing the spiritual health and moral maturity which frees persons from dependence on damaging social customs. All Methodist Churches, and in this I speak for 10 million people, - All Methodist Churches shall abstain from the use of raffles, lotteries, and games of chance for any purpose. Methodists should protest all forms of gambling practices carried on in their communities.

Since lotteries are in direct contradiction to the Discipline and Social Creeds of our churches, we urge those in responsible places to vote against a state lottery.

Thank you.

SENATOR RIDOLFI: Thank you, sir.

I understand that Mr. Forst has a brief statement of position. Is Mr. Forst available?

I understand you just want to state the position of your organization?

F R A N C I S A. F O R S T: Senator Ridolfi, Senator Kelly, ladies and gentlemen: My name is Frank Forst and I represent Local 195, New Jersey State Highway Employees and New Jersey State Highway Engineers Association here in the State of New Jersey.

Our people, over the past month, have discussed and debated the question of a State lottery and they have come up with a conclusion that the question of a State lottery should be put forth on a referendum and that the State of New Jersey should seek ways and means of raising revenues through the means of a State lottery as being an equitable method of raising additional funds for use of the State and a painless method, so to speak, of bringing funds into the State without increasing real estate revenues and the use of other forms of taxation.

I would like to go on record as being in favor of this referendum and in favor of a State lottery.

Thank you.

SENATOR RIDOLFI: Thank you, Mr. Forst.

Is the Reverend Mr. Lindahl in the audience?

Rev. Alan Lindahl of the Calvary Baptist Church, Hackensack, New Jersey.

REV. A L A N L I N D A H L: Mr. Chairman, Senators Musto and Kelly, I am Pastor of the Calvary Baptist Church of Hackensack and appear as just a Pastor, not representing the full body of our Church.

The main concerns and emphasis here today is that many of our people, as we think of our responsibility in the area of Christian stewardship, would be to emphasize something that would be best captioned as the very best for others.

The need to continue to persevere for high goals and high ideals in our country is ever present with us. And it seems that in view of all the statistics that have been mentioned here today there is direction involved in a broad brash way. With the appeal and the general emphasis on using gambling for good purposes, it seems that the direction is, to me, a downward movement. Churches have been concerned for the upbuilding of all persons and individuals. How do we achieve this?

If we see the goal as truly being the best for others, the other aspects of Christian stewardship is to help people accept their responsibilities and to face hard realities of life. If we need more money the need has to be made known and legitimate ways to raise this obtained.

Now, how do we do it in the churches?

In our Baptist Church we have no gambling devices. Our effort is to appeal to the people to help them make gifts and contributions to support the work.

Now one of the things that has not been mentioned as a way of raising revenues is the one aspect that has come up several times in favor of the lottery which is that it's voluntary. In some ways it is voluntary, but couldn't the voluntary aspect of giving for worthy causes be somehow incorporated in our state structure, and an appeal made from higher motives to get additional revenues rather than from what I consider are lower motives in gambling?

So continually the need is to upbuild people, help everyone to accept their responsibility as citizens in our country. So I am opposed to SCR 7.

SENATOR RIDOLFI: Thank you very kindly, sir.

Rev. John B. Crowell from Elizabeth.

R E V. J O H N B. C R O W E L L: Chairman Ridolfi and Senators Musto and Kelly: Experience is a great teacher. Those who will not heed its voice must learn by their own painful actions. And history is the voice of experience. History has a great deal to say on the matter of lotteries.

They have been common practice since ancient times. In modern times a lottery held in the city-state of Florence, Italy, in 1530, it is claimed, was the first to be conducted by the State for the State. And when the sovereigns of other states saw what an easy way this was to raise money for state purposes, they were quick to resort to the device.

Francis I of France thought that the state as well as private promoters should profit from lotteries. I've

heard that a good bit this morning.

Queen Elizabeth first introduced them into England in 1566. From England the lottery was brought to Virginia. Indeed the support of the Jamestown colony was very largely from lotteries.

The custom spread throughout the Colonies, being used extensively for the assistance of education and public works - buildings, roads, water supply, fire departments, and the like.

Thus lotteries in the eighteenth and nineteenth centuries raised money for such now venerable universities as Brown, Columbia, Dartmouth, Dickinson, Harvard, Princeton, Rutgers, St. John's, Union, William and Mary, Yale, Delaware, Maryland and Pennsylvania. And many churches, protestant churches, secured funds by this method. There are records of churches buying lottery tickets, in the hope that such speculations would pay off with a sizable profit for those worthy institutions.

Then, as now, some people were reluctant to give outright for the support of their churches. And now, as then, though by a different method, some churches resort to gambling to raise funds.

Now there were several reasons for the widespread acceptance of lotteries in America - such as their common acceptance in the old countries, the pressure of economic necessity in establishing new homes and governments, and lack of moral opposition.

The number of private lotteries became so great

and the corruption that goes with lotteries - theft, deception, fraud - and legitimate business was so hurt by those who disposed of goods in a lottery at great profit, that gradually lotteries were placed under state supervision and license by the middle of the eighteenth century. Where formerly conducted at will, they were now held only with permission of the legislatures and for goals in the public interest. This was in the middle of the eighteenth century.

With government regulation, most vocal opposition ceased. It was believed that drawings would be kept honest, and it was one's own affair if he risked his money in an honest lottery.

All the colonies had financial difficulties and taxpayers resisted added levies. Lotteries seemed to offer an easy solution, a less painful method of raising cash than a new tax. It sounds very modern.

Today as the supporters for a constitutional change in New Jersey that would permit a state lottery think of the additional ways the state could spend the money on education, roads, new prisons and other state institutions, for which additional buildings are greatly needed, they wax enthusiastic about the idea of a state lottery. But we have the new sales tax coming up, which should be great enough to care for the pressing needs of New Jersey. Why then an additional tax? Why do some legislators want to foist upon our citizens this other way of indirect taxation? It seems inexcusable simply from

a revenue-raising angle, as well as for others reasons I will indicate.

Let me point out the very significant fact that though lotteries in the eighteenth and nineteenth centuries in America raised funds for many worthy causes, lotteries were eventually banned entirely by law in all the states. It is sensible to ask why this should be before we blithely return to a device which every state, even Nevada, in spite of its patent advantages from a legislator's standpoint, came to condemn.

Now in a sentence, it was found that the evils lotteries created were so much greater than the good they accomplished, little by little they were wiped out legally by every one of our states. That they continued illegally on a wide scale was due to lax law enforcement. But when the United States government stepped in with laws prohibiting lottery material from the mails, most of these illegal enterprises collapsed, including the famous Louisiana lottery. Illegal lotteries which exist today, such as the Irish Sweepstakes, could be largely eliminated if our law enforcement officers determined to do the job. That would keep some of the money at home instead of going abroad, as the President of the United States urges us to do.

But what are the evils that accompany lotteries, wherever held and under whatever auspices?

An informative report issued by the Justice Department in 1883 has this introduction - "A faithful

account of the rise, progress, and decline of the lottery system in the United States would furnish a melancholy picture in the history of the American people. Few of the present generation have an adequate conception of the hold upon social and commercial institutions which lotteries obtained in the first thirty years of the nineteenth century, of the rapid growth of gambling and the gambling spirit engendered by them, of the vast evils resulting from them which overspread the country, or of that widely extended movement against them, among moral and thoughtful citizens, which culminated before the end of the half century, in their total suppression in many states and partial suppression in others." - and eventually a total suppression everywhere.

In that report it is mentioned that fifty cases of suicide resulted among disappointed ticket holders after a drawing of one grand lottery. Is that the sort of thing we want to bring back?

In the United States Supreme Court decision in *Phalen vs. Virginia*, in 1850, we read: "Experience has shown that the common forms of gambling are comparatively innocuous when placed in contrast with the widespread pestilence of lotteries." This word "pestilence" is offered by the United States Supreme Court report. "The former are confined to a few people and places, but the latter infests the whole community; enters every dwelling; it reaches every class; it preys upon the hard earnings of the poor, and it plunders the ignorant and simple."

In 1879 Chief Justice White in *Stone vs. Mississippi* gave the decision: "If lotteries are to be tolerated at all, it is no doubt better that they should be regulated by law, so that the people may be protected as far as possible against the inherent vices of the system; but that they are demoralizing in their effects, no matter how carefully regulated, cannot admit of doubt.

"They are a species of gambling and wrong in their influences. They disturb the checks and balances of a well-ordered community. Society built on such a foundation would almost of necessity bring forth a population of speculators and gamblers, living on the expectation of what --- might be awarded to them from the accumulations of others."

In a letter in the *New York Times*, August 3, 1935, Christian F. Reisner said: "I found an old report of a New York committee dated 1819 in which it said, 'The wickedness and infamy occasioned by lotteries has lately been exhibited in our court of justice. There we have heard of vices and frauds which dishonor human nature. Your committee finds that lotteries are the most injurious kind of taxation and the very worst species of gambling.' The worst losers are the indigent and ignorant, who are seduced, deceived and cheated out of their money when their families are often suffering for the necessities of life."

In 1809 a British parliamentary committee made its report. I quote: "almost every crime that can be

imagined has been occasioned either directly or indirectly through the baleful influence of lotteries."

John S. Ezell in his volume, *Fortune's Merry Wheel: the Lottery in America* said: "Coincident with other evils was the outbreak of spectacular examples of abuse. State after state experienced cases of mismanagement and of suicides caused by embezzlement of funds to gamble on the lotteries. Public attention focused on the system and closer observation revealed the terrific levy made on the poor ---. Correlation between the long lines of petitioners at the bankruptcy courts and participation in these ventures was revealed. The true evil of the lottery became more apparent; its effects upon the participants - their visionary and unreal expectations, debts, disdain for honest labor, and impetus toward crime."

"Greater experience with the lottery tended to deflate its reputation as a 'voluntary tax, cheerfully paid.' The burden fell most heavily on those least able to pay it. Early labor groups fought such schemes as a pernicious form of taxation. It harmed legitimate business by tying up vast sums of the money in circulation for the purpose of raising relatively little."

Gentlemen, the lessons of the history of lotteries are clear. I beg of you to heed them. Remember too that there has been no great outcry by the public, "Give us lotteries to keep us from being bored with life, and so that we can dream dreams about getting rich overnight." The proposal before you is the desire

of a few.

Nor is a state lottery needed in lieu of more taxes. We are about to have them and in large amount.

And please, gentlemen, do not pass the buck. "Let the people decide," sounds so piously democratic. Recall the referendum to "improve the breed of horses," It was beaten in a majority of counties. But when Boss Hague and his Hudson County machine got to work in favor of horse racing they provided the overwhelming majority that gave us racing. It wasn't the people who decided. It was Hague and his crowd and those who expected to make a big profit.

Members of the Senate Judiciary Committee, a writer back in 1806 made an unusually strong attack upon lotteries as injurious to public morals. And among other things he declared, lotteries "are the meanest way a legislature ever pursues of laying a tax." Those words are still true today.

Therefore, with hope that you will do so, I urge you to hold SCR 7 in committee.

Thank you.

SENATOR RIDOLFI: Thank you, Reverend. Will you give your statement to the stenographer, please.

SENATOR RIDOLFI: Joseph C. Diaz, American Taxpayer's Union.

J O S E P H C. D I A Z: Mr. Chairman and Senators Musto and Kelly, ladies and gentlemen: My name is Joseph C. Diaz of 11 Roosevelt Avenue, Jersey City. I am President of the American Taxpayer's Union, of New Jersey, and I am appearing here today in behalf of all the members, followers and sympathizers of our organization.

On April 30th, 1964, I appeared in this very same place for the same reasons as I am appearing today. There is however one exception or change since my last appearance two years ago. At that time we did not have a sales tax in our State. This time a sales tax has been approved by the Legislature of our great State, and will become law next month unless it is repealed.

The A.T.U. has been fighting for the past five years against an income tax, a sales tax, and against any other kind of broad-based tax being imposed against the people of New Jersey. Instead of any kind of broad-based taxes, the A.T.U. has submitted a New Jersey State lottery plan, which if it had been adopted, or if it is adopted, would raise the necessary revenues to cover all the needs of the people of our State.

Since 1960, our organization has mailed out and distributed more than 50,000 copies of our lottery program. For the past four years, copies of our lottery program have been sent to our Honorable Governor, Mr. Richard Hughes, and to all the members of the Legislature of our State. We sent them also to most newspapers of our State.

We also held demonstrations in favor of our lottery program in many parts of New Jersey during the past five years. Here in Trenton alone we held five demonstrations.

During the lottery public hearing of 1964, I submitted a report outlining a State Budget for the State of New Jersey, which the A.T.U. thinks our State should have in order to keep pace with the rest of the states of our Union, which is only possible if a lottery program is adopted.

In order to save time and be as brief as possible, rather than submit another report, I am submitting the same one as in 1964.

Now, in coming to the main points of my testimony here today, I want to make the following statements of fact, and I say statements of fact because they are facts which cannot be denied by anyone.

Fact No. 1. Our Honorable Governor, Mr. Richard J. Hughes, stated many times during and after his campaign for Governor of our State, and I quote, that a sales tax was harsh and cruel. He also said that a sales tax would wreck New Jersey's competitive advantage over New York and Pennsylvania, and that it would be a blow to the poor.

Fact No. 2. Governor Hughes betrayed and lied to the people of New Jersey not only because of Fact No. 1, which I have just explained, but also because the Honorable Senator Mr. Dumont, who was the opponent of our Governor, campaigned in favor of a sales tax.

At least Senator Dumont did not pull any bones about the sales tax. He was honest and told the people of our State,

day after day, that if elected Governor, he would institute a sales tax. By the same token, our Governor's main defense and offense was based on the fact that he was against a sales tax.

Naturally, nobody in our State wanted a sales tax. Industry is against it. Commerce is against it. Labor is against it. Business is against it, mainly the small businessmen and the retail store businesses of all kinds; and finally, the majority of the people of our State is against it. Even our Governor was against it!

The main reasons for us being against a sales tax is not because we feel like being against it - no! The main reasons we oppose a sales tax is because the sales tax forces us to pay taxes on necessities of life, such as food consumed at hotels and restaurants, clothing, non-prescription drugs, appliances, housewares, furniture, automobiles, cigarettes, gasoline, and many other items.

The sales tax would also impose sacrifices on the part of the merchants and shopkeepers, forcing them to keep records and collect the tax.

And we all know, that once the sales tax becomes law, then it will stay here forever. Not only will it stay here forever, but it will keep increasing as the needs arise. From 3% it will jump to 4% and 5% and so on.

Some of you that are listening to me may ask: Well, where are we going to get the money from? And I will give you the same answers I gave to the newspapermen and Congressmen in Washington, D.C., in March of 1963 when I appeared before the

Mills House Ways and Means Committee, and in letters to the late President Kennedy and Secretary McNamara and other Cabinet officials in Washington.

Here in our great State of New Jersey we have the resources of an untapped fountain of gold, which is a State lottery.

We can also introduce better methods and cost reduction programs, such as exist today in all industry, and through which we can reduce waste, increase efficiency, eliminate duplication, and do away with unnecessary jobs and spending.

I don't know where some of our State officials get their figures, stating that a New Jersey State lottery would only net between 30 and 50 million dollars per year. Is that figure only meant for their hometown? It must be because I can't conceive it otherwise.

A New Jersey State lottery based on our lottery program would net at least 350 million dollars a year for our State. Our lottery tickets would not only be bought by the residents of our State. Just in the three neighboring states of New York and Pennsylvania and New Jersey there are at least 40 million people that would buy tickets from us. But in addition to this, New Jersey is the crossroads of the world. Millions of persons from all over the world pass through New York and New Jersey, and believe you me, they would all be tempted and would buy New Jersey lottery tickets, for two main reasons: No. 1, mainly for foreigners, the prize money is dollars, and dollars is gold everywhere on earth; and secondly, the amount of the prizes would even tempt a Saint to buy a lottery ticket.

In coming to an end, I want to make some observations. In the light of what Governor Hughes promised the people of our State, the fact that he opposed Senator Dumont on the sales tax, and the fact that he himself said that a sales tax was cruel and harsh and would be a blow to the poor, I think that the Legislature should take a close look at what they did by voting for the sales tax. Perhaps Governor Hughes should be impeached.

At least the Legislature should get together and analyze the facts and if they are fair in their conclusions, I am sure that the least they can do to correct their mistake is to repeal the sales tax and recommend that it be put on the ballot along with a State lottery bill for a people's referendum next November.

I want to conclude with the same final words I said in the public hearing of 1964:

"History can be made in our great State by making it the most peaceful, progressive and prosperous of them all." And this can well be done, not by what I said, but because of what you may do.

I want to go on record as supporting 100 per cent SCR 7. Thank you very much.

SENATOR RIDOLFI: Thank you, sir.

Mr. William S. George, Social Action Committee, New Jersey Baptist Convention.

W I L L I A M S. G E O R G E: Chairman Ridolfi and Senators: My name is William George of 51 Meadow Street, Demarest. I am the chairman of the New Jersey Baptist Christian

Social Action Committee. We wish to go on record as opposing the Lottery Bill, SCR 7.

We would identify ourselves with the position taken by the New Jersey Council of Churches, the Methodist and the Presbyterian, who spoke before.

We would commend the Legislature for enacting a 3% sales tax. In the judgment of our committee the needs of our state could best be met by such broad-base taxes, extended if necessary. We believe that a lottery as a means of raising state funds is questionable morally and economically. Therefore, we urge your opposition to this resolution.

SENATOR RIDOLFI: Thank you, sir.

The Rev. Mr. Hanson of the Episcopal Diocese of Newark.

R E V. C A N O N B E N E D I C T H. H A N S O N:
Senator Ridolfi and Senators: I would like to begin by saying that I am The Rev. Canon Benedict Hanson, Chairman of the Department of Christian Social Relations of the Episcopal Diocese of Newark, and that the Department wishes to go on record in expressing its opposition to the proposed amendment to the State Constitution of New Jersey, as contained in SCR 7, and we identify ourselves with the New Jersey Council of Churches in this action, with the Presbyterians, the Methodists and the Baptists. Of course, we are the Episcopalians.

First, I would briefly like to present the Christian view on gambling as succinctly stated by the late Archbishop of Canterbury, William Temple. Archbishop Temple has been acknowledged by many churchmen in Christendom as one of the

great Christian leaders and theologians of the last fifty years. I quote from a book on "Gambling" written by the Archbishop for the Church of England's Committee on Gambling: "Gambling is not necessarily a practice springing directly from an evil character; nonetheless, it is wrong in principle. It is inherently evil, though the evil immediately involved in moderate and self-controlled gambling is very small. The distribution of money by chance is a socially wrong principle. 'Wealth ought to be distributed in accordance with (a) need; (b) service rendered; (c) service expected; the last is the justification of inherited wealth.'

"Gambling - the distribution of money by chance - is not only wrong in principle, but by consequence it is a source of immense moral and social evil. The moral man cannot repudiate responsibility for his influence on others, on society. No doubt the amount of harm present in a small bet cast by someone who could easily afford it would by itself be negligible. Yet if the action on a wide scale causes desperate havoc to multitudes of people it becomes the clear duty of Christians to resist the fundamental principle.

"Gambling challenges that view of life which the Christian Church exists to uphold and extend. Its glorification of mere chance is the denial of the divine order of nature. To risk money haphazardly is to disregard the insistence of the Church in every age of living faith that possessions are a trust, and that men must account to God for their use. The persistent appeal to covetousness is fundamentally opposed to unselfishness which was taught by Jesus Christ and by the New Testament as a whole. The attempt (inseparable from

gambling) to make profit out of the inevitable loss and possible suffering of others is the antithesis of that love of one's neighbor on which our Lord insisted."

So this is my Church's position at all levels. The Lambeth Conference of 1948 which consisted of the Bishops of the Anglican Communion throughout the world, which includes the Bishops of my Church, the Executive Council of the Protestant Episcopal Church in the United States of America, and our own Diocesan Department of Christian Social Relations are all unanimous in this regard.

We of the Department of Christian Social Relations are convinced that the following considerations demonstrate that a state lottery would be both morally wrong and economically unwise.

The culturally deprived group of citizens who can least afford it are most attracted to such "easy money" schemes. The money they gamble simply increases the tax burden paid by responsible citizens in the community who expect to earn their own incomes. A gambling tax is a tax against those least able to pay.

Legalized gambling run by the government inevitably places the majesty of the state behind the idea that it is perfectly proper to try to get something for nothing. By so doing, it not only creates an atmosphere in which illegal gambling, the income of which is the basic support of organized crime, comes to be increasingly tolerated by the community, but it also undermines the moral character of the young by teaching them that it is not important to give honest service

for an honest return.

In this regard a most penetrating and soul-searching comment came from Miss Nancy Drouin, a Junior in the Laconia, New Hampshire, High School at a public hearing in New Hampshire on state lottery a few years ago. Here is a brief excerpt from her testimony: "As a youth I demand that you live up to the ideals that you want me to uphold. As a youth, I declare that those of my generation who are headed for successful careers can learn, if necessary, in a crowded classroom, but they will not want to learn if their only inspiration is the irresponsible action of our State's most trusted officials. . . ." And she goes on to say, "I submit to you that in approving the sweepstakes measure you will have to face the disillusionment of a thousand young people like myself, who will begin to wonder where we can look to find a reason for preserving principles of honesty and integrity; young people who can't help but begin to wonder whether things like honesty and integrity, in fact, matter at all." I am sure that this girl is not only speaking for the youth in New Hampshire, but for hundreds of youth in our own state who cannot vote, but who are dependent upon you to exercise good moral judgment in this regard.

While we are speaking of New Hampshire, I would like to read to you a paragraph from an editorial in The Christian Century issue of November 3, 1965, which appeared under the arresting title, "New Hampshire Lottery Flops": "The program has flopped and the only way state officials can rescue it is to sell abroad what New Hampshire citizens do not want to

buy themselves. . . . Next year New Hampshire officials want to dump the cost of public education (in New Hampshire) on the whole nation by the sale of tickets through the United States mails. . . . We see no reason why the United States mails should be corrupted to rescue New Hampshire from a bad situation which should never have occurred in the first place."

Experience shows that where gambling flourishes the legitimate business enterprises of a community suffer. The irresponsible citizen who prefers to take a chance on a great return for a small investment will follow his inclination at the cost of investment in savings or the purchase of legitimate products of the economy. Also, excise taxes, sales taxes, and other normal taxes are likely to suffer when any portion of consumers' income is funneled into gambling.

Although the choice to gamble or not to gamble is the privilege of the individual citizen, the one who chooses not to do so must still bear the cost of damage done to the economy, increase in the cost of public welfare and other services, corruption of moral responsibility in the young, and the increase of the incidence of illegal gambling which accompanies such state-supported ventures and results in an increase in organized crime.

The fact that legalized gambling does now exist and that there is a very large amount of illegal gambling carried on in the state, together with the harm done by both forms of gambling, does not mean that either of these would be decreased by state operated ventures in this field. Evil is not eliminated expanding it under government control, but

rather by fighting it through better laws and law enforcement procedures.

The record gives evidence that physical acts of violence increase in proportion to the volume of gambling, thus creating new policing costs for the community.

As a tax gathering measure, potential revenues from legalized gambling are a mere drop in the bucket compared to aggregate State needs. Thousands of dollars must be contributed by patrons to produce even a relatively small amount for the state. Even in the more successful lotteries the charitable or government project supposed to benefit gets only about one-fourth of the proceeds.

So far as the money-raising potentialities of lotteries are concerned, we would draw attention to the fact that in some of the highly publicized sweepstakes it is estimated that only 17 1/2% of the proceeds actually goes to hospitals or other institutions that let themselves be used as the "front." The greatest share of the profit goes to the promoters and ticket agents.

In the case of the Irish Sweepstakes, the main beneficiaries, according to the Christian Science Monitor, are two individuals who privately run the "Sweeps." These are Joseph "Big Joe" McGrath, a prominent horseracing figure and former politician, and his partner, Spencer Freeman. They are now among the wealthiest men in Europe because of their take in the "Sweeps."

As for the suggestion that lotteries would reduce taxes, we believe it to be untenable. Advocates of a national

lottery estimate that it would raise \$10 billion a year. If the Government used 25% of the proceeds for expenses - and this might well be the case - to accumulate a profit of \$10 billion (after paying prizes) it would have to raise over \$13 billion a year from players. This means that, if half the adults in the country played, it would cost them \$266 per head each year - and much of that money would be coming out of the pockets of those least able to afford it.

Making it easy to gamble tends to breed new practitioners and more specifically attracts compulsive gamblers, with ill effects upon themselves and upon their families.

The typical compulsive gambler is to all intents and purposes a normal, healthy family man and tends to be an average lower-income bracket wage-earner. Unable to supply ready funds, he gambles himself further and further in hock to loan sharks, completely unable to withdraw from his gambling passion, and is often obliged to leave his family.

Medical authorities conjecture that there are about four million dyed-in-the-wool compulsive gamblers in the United States. You know we have Alcoholics Anonymous, Narcotics Anonymous, and now we have Compulsive Gamblers Anonymous - Gamblers Anonymous. In addition, however, each compulsive gambler usually has three or four dependents, so the problem of the compulsive gambler really becomes the problem of about 20 million. When the problem of one person serving time in jail or undergoing therapy becomes the problem of four or five innocent victims, the time for concern is

obviously overdue. A possible total of 20 million individuals as full or part-time public charges is itself a staggering thought. Next to sympathy and public support, however, realization dawns that anything illegal or legal which makes gambling easy or convenient for compulsive gamblers is really nothing less than a low blow to humanity.

For these reasons, moral, social and economic, we of the Department of Christian Social Relations of the Episcopal Diocese of Newark consider the proposed amendment to be an insult to the good sense of the people of New Jersey. All of the needs embraced within this resolution are covered by the recently enacted Sales Tax and the anticipated revenue therefrom.

In closing, I would like to quote a statement made by the Father of our Country, George Washington: "Gambling is the child of avarice, the brother of iniquity, and the father of mischief."

Thank you.

SENATOR RIDOLFI: Thank you, sir.

I should like to call at this time the Rev. Ralph P. Davis of Woodbury, New Jersey.

R E V. R A L P H P. D A V I S: Mr. Chairman and Senators, ladies and gentlemen: My name is Ralph Davis from Woodbury, Minister of the Colonial Manor Methodist Church. While I concur with all that has been said by my colleagues who are opposing this bill, I am speaking for myself. I am not only speaking as a minister of the gospel, but I am speaking as one who has spent 30 years in industry,

therefore, having much experience with many types of people. I have worked with my hands. I have been in a supervisory capacity and have encountered and been associated with many people and have seen results of some of the traps that some of them have fallen into.

I would like to quote, if I may, from Proverbs, "Where there is no vision, the people perish." Now I do not have statistics before me and I have heard a lot of statistics today pro and con. I don't think we need statistics. I think all we need to do is to refer to history, as has been done today, then also to read our current newspapers. The newspaper that will be dropped on our lawn this evening will tell us of some tragedy no doubt.

I would like to ask a question. In recent years since through the efficient advertising media used by our commercial institutions, our young people have been induced to start smoking at a very young age and yet our Federal government tells us that smoking is a detriment to health. When we become of age, of course, this becomes our problem. Also the advertising media employed by commercial interests have induced young people to start drinking at a very early age. Now ladies and gentlemen, we are today seeing the results of this and I would like to ask the question: In light of all this and our freedom of expression that is running rampant today, has integrity, have morals, our fidelity increased? Where does freedom begin and where does it end?

I may as a minister be called to the bedside of some person who may be dying. I have freedom and access to the

highways. Yet I am not free to run at a break-neck pace and endanger the lives of other people who may be on the highway. So my freedom is limited for the good of others. Do we not need to take this into consideration when we start talking about our freedom to do as we want with our moneys, our freedom to gamble if we wish? Are we not restricted, all of us, in some of our freedoms for the good, individually that is - for the good of all?

Now gambling we all know will not strengthen, but will weaken these moral standards that have already been weakened. Those of us who are older know the conditions of our society of 20, 30, 40 years ago and we know them today, largely as a result of our just absolute freedom to smoke, to drink, and now it is proposed that we pass a law to gamble, to have a state lottery.

History has been revealed here today proving that gambling doesn't pay. I think there is a danger, my friends, in that as we cast about - and we all know that we need more revenue. Everything is increasing, that is, costs of everything, costs of government, the running of our state institutions and the educating of our children. But I would like to remind us, if I may, of a danger. Is there not a danger that we may not be able to see the forest for the trees?

I as an individual would like to oppose the placing of this bill on referendum. Thank you very much.

SENATOR RIDOLFI: Thank you, sir.

Mr. Neil Troutman.

N E I L T R O U T M A N: Leaders of my State,
gentlemen of the Committee: I am Neil Troutman of Union,
New Jersey. I did not come today prepared to give a
statement, but I feel led to bungle through one, as it
appears I am the only representative of my age group present.
I cannot vote since I am not yet of legal age and I have
not made a thorough study of a state lottery. But I do look
to my parents and other adults and most certainly my national
and state leaders for guidance. And I realize my generation
is the one which will have to lead this country in the
future. And I, as do all other educated and interested
young people, have concern for my country's future and my
state's future.

I would ask myself: Is a state lottery that which
leads young people to more healthy lives, high morals and
proper spiritual guidance? In the Holy Scriptures it says
to all who are in leadership: "Train up a child in the way
he should go and when he is old, he shall not depart from
it,"

I would say, God forbid the leaders of my beloved
State of New Jersey would give us, the youth of New Jersey,
a chance for present and future moral and spiritual decay
by voting yes for SCR 7. Thank you.

SENATOR RIDOLFI: Thank you very kindly.

Rev. John Dexter Greenleaf from the Rutherford
Baptist Church.

R E V. J O H N D E X T E R G R E E N L E A F: I
might say that I did not expect to be here - I was merely

passing by - but I knew something was taking place and I just wanted to stop and pause and as the pastor of the Rutherford Baptist Church and also as an individual citizen let individuals know where I stand.

When I entered this room when we had a brief recess period, speaking to one gentleman, he said, "After all, you know we are going to have gambling and therefore we ought to legalize it." I said, "Therefore, we are always going to have prostitution and we ought to legalize it?" He said, "Yes, we ought to legalize it." You see where our thinking leads us, gentlemen. Then I said, "Concerning the great moral law of God, 'Thou shalt not kill,' should we legalize killing since we are always going to have individuals who will commit murder?" He said, "Well, we are having murder now in Viet Nam." "Oh," I said, "that's not murder. That's not contrary to the law of God to seek to defend our Nation, our ideals and the things that we hold to be great and sacred as a Nation, to stop the forces of aggression. Our boys would be murdering individuals?" Beloved, this is the whole concept. This is the thing in a nutshell.

What we are gathered here together to discuss and to weigh is: "Righteousness exalteth a Nation and sin is a reproach to any people." When we think of this great State of New Jersey, when we think of this great Nation, the greatest Nation upon the face of God's earth, what has made America great? Has it be legalized gambling when every state in this great Nation has voted against it? The thing that has made this Nation great has been our forefathers who

have stood for the great moral law of God and that moral law of God says, "Thou shalt not steal." And are we our neighbor's brother? Indeed, we are and where there is a need for revenue within our state, every legitimate means should be sought and through honest endeavor we should meet the needs as we have done in the past. Now I think we have done a pretty good job here in the State of New Jersey without a lottery and I believe that God has blessed us.

I remember some years ago when Governor Hughes came to his present position when there was some trouble down at the seashore, there was a need then for some kind of a lottery. And this thing will grow by leaps and by bounds. Beloved, the thing that has made the State of New Jersey great has not been lotteries, has not been legalized gambling. The thing that has made this Nation great has been individuals with high integrity, moral principles, who have always stood for that which is right.

I would like to have your consideration on that matter. Thank you.

SENATOR RIDOLFI: Thank you, sir.

Is there anyone else who wishes to be heard or to make a statement? Will you please identify yourself by giving your name and address?

R E V. W I L L I A M B. T H I E L K I N G: I am Rev. William B. Thielking, Camden, New Jersey, pastor of the Asbury Methodist Church. I speak for myself, however.

I would just like to indicate this one thing: I have had the impression from those who were in favor of the

lottery that the public seems to be clamoring for a lottery and that this is one reason why we want to put it before the public and let them decide for themselves. I don't suppose there is anything immoral about letting the public decide for themselves if it is really an issue that the public wants to decide on.

I don't think they are clamoring for a lottery. It's not even a topic of popular conversation any place I have ever been.

The question is raised in my mind, not only of the immorality of a lottery, but perhaps - I wouldn't want to use the word "immorality" - it seems too strong - but the questionableness of putting before the public something it is not even anxious to decide, which I do not believe it is. Any place I have ever been, there seems to be no indication of this whatsoever and I do just want to insert this thought into your thinking.

SENATOR RIDOLFI: Thank you, sir.

Do you wish to be heard?

MRS. HAWKINS: Yes, please.

SENATOR RIDOLFI: Courtesy compels me to call you first, ma'am.

M R S . A R T H U R H A W K I N S: My name is Mrs. Arthur Hawkins and I am Legislative Chairman of the Department of Christian Social Relations, Episcopal Diocese of Newark.

I would just like to submit a few figures that I got at a conference in New York last summer. They are notes for a lecture presented at the National Consultation on

Legalized Gambling, the National Council of Churches of Christ. Actually it wasn't last summer. It was November 11, 1964. Time passes. But this was a very comprehensive conference on Legalized Gambling, a three-day conference, and we had talks from everyone, members of the F.B.I. and so forth, on the connection of organized crime with legalized and organized gambling. Also we had figures given by people who were experts on the subject and these are some figures given by Reuben A. Zubrow, Department of Economics, University of Colorado. I won't go through the whole thing. He tells of the growth of the cost of state government, tripling in the last ten years, and he then goes into the value of gambling as a tax source and he says here:

"Let us examine the Nevada situation, a state which has had legalized gambling since its territorial days before the Civil War, except for two brief periods when gambling was outlawed (1861-69 and 1909-15). Nevada enacted its "wide-open" gambling bill in 1931, and this statute is still in effect. Other states at various times have believed they should emulate Nevada in order to resolve their own fiscal difficulties. However, it is important to note the following facts with regard to Nevada's unique experience with gambling taxation.

"(a) First, Nevada is not a "one-tax" state. On the state level gambling taxes provided less than one-fifth of the total state tax collections, and only 13% of the total state revenues. Grants and subsidies received from the federal government account for 27 percent of Nevada's

total general revenues, or more than twice as much as its gambling revenues. Moreover, if we consider taxes alone (abstracting the federal grants and other non-tax revenues) we find that Nevada actually relies more on general sales and excise taxes than on gambling taxes. For example, in fiscal year 1964, Nevada's general sales tax alone accounted for 34% of its total tax collections; and its excises on tobacco, liquor, gasoline and insurance accounted for another 28%. In contrast, gambling taxes accounted for only 19% of the total. Nevada does not use either income or inheritance taxation, and the detail of state tax collections for fiscal year 1964 was as follows:

"General sales taxes"-- I won't go into these figures. I will give the percentage. "General sales taxes, percent distribution, 34.4; Excises -- tobacco, liquor, gasoline and insurance, 28.4; Gambling taxes and licenses, 19.0; Licenses -- motor and other, 14.0; Property and all other taxes, 4.2; total 100 per cent distribution.

"With regard to the effect of Nevada's allegedly 'favorable tax climate' on business location and the ability of the state to attract new industry, it may be noted that the number of manufacturing establishments in Nevada, according to the U. S. Census of Manufacturers, was exactly the same in 1904 and 1954. In other words, after a half-century of a 'favorable tax climate' based on the taxation of legalized gambling Nevada has not been able to attract any basic new industry into its state, notwithstanding the widely held belief that state taxes significantly affect business

location decision-making.

"Nevada is also unique in terms of its physical proximity to the densely populated urban centers of California. Nevada has a resident population of about 300,000, but it accommodates about 15 million tourists a year. Thus, Nevada currently enjoys a resident-tourist ratio of about 1 to 50. No other state can match this ratio, but approximately 60 per cent of the tourists come from California. The result is that the three counties most accessible to California account for more than 90% of all gambling activity, revenues and taxes. Clark County (Las Vegas) services southern California and the Los Angeles metropolitan area, while Washoe (Reno) and Douglas (Lake Tahoe) counties draw heavily upon the San Francisco and the Bay area. (Parenthetically, Nevada does not have horse racing since it is legal in California and therefore Nevada does not obtain any tax revenue from pari-mutuel betting.)

"Nevada's state gambling taxes mainly are in the form of a gross winnings tax, with graduated rates from 3 to 5 1/2%. There are about 1000 licensees, but only some 2% of these (about 20 casinos) account for approximately 70% of the gambling revenues and taxes. These might be characterized as the large 'super-market' casinos."

Of course, this particular part doesn't necessarily apply to a lottery, but it does apply to legalized gambling.

"It is difficult to ascertain how much of the casino winnings are unreported for tax purposes, but it has been estimated that perhaps 5 to 15% of the total is 'cream taken

off the top.'

"On the local governmental levels the revenues from gambling are obtained from licensing fees imposed by the counties and cities. In recent years it has averaged about \$4 million annually, or about 16% of the total local taxes, but only 7% of the total local government revenues.

"Net result -- when one compares Nevada's tax structure with that which characterizes the nation as a whole, the following picture emerges:

"(1) On the state level -- Nevada's sales and excise taxes are relatively about the same as the national average but its gambling taxes which are about 13% of its total revenues may be thought of as a substitute for the income tax which averages about 13% in the other state tax structures.

"(2) On the local level -- Nevada's ratio of total taxes to total revenues (55%) is about the same as the national average. However, its local gambling tax take, which comprises about 7% of the total local revenues, is roughly equivalent to the amount by which its property taxes are below the national level, e. g. property taxes represent 39% of the total local revenues in Nevada, about 48% for the nation as a whole.

"In conclusion, it appears that notwithstanding Nevada's unique history, resources, climate and geographic proximity to California -- gambling taxation by itself has not been able to solve all of the state's fiscal difficulties. Instead, Nevada also has had to rely on a broad-based sales

tax (which includes food), extensive non-gambling excises and property taxes to meet its financial obligations on both the state and local levels. With regard to the rest of the nation, it should be patently clear that if the legalized gambling tax take were to double or even triple (amount to \$1 billion), it still would only represent a very minor source of additional revenue relative to the magnitude of the fiscal needs of state and local jurisdictions which must finance an ever-expanding volume of public services in an increasingly urbanized and economically affluent society."

I would like to read a few more statistics and this has to do with the details: "Details of the Nevada experience are provided in several recent accounts of legalized gambling operations there. One, *The Green Felt Jungle* by Ed Reid and Ovid Demaris (Trident Press, 1963), recites the following statistics:

"Nevada has the highest crime rate in the country.

"Reno and Las Vegas have police forces three times that of other communities their size.

"Las Vegas' suicide rate is the highest in the world (30.1 per 100,000 as opposed to a national average of 1.9).

"Prostitution in Las Vegas is second only to gambling in income.

"Nevada's juvenile delinquency rate is twice the national average."

There are other figures on that here and there are

two other booklets that I would like to submit. This one is on "Off-Track Betting in England - Pattern for New York?" It was the state legislative report in New York when they were studying off-track betting. It has a lot of good background material in the back here which has to do with all kinds of legalized gambling. Then there is one called, "Should We Legalize Gambling?" This is put out by the New England Citizens Crime Commission and is very good and short and to the point. Here is another one which is put out by the Public Affairs Pamphlet people, "When you Gamble - You Risk More Than Your Money." I would like to submit these to the Committee too.

(Mrs. Hawkins hands pamphlets to Senator Ridolfi)

SENATOR RIDOLFI: They will be received.

MRS. HAWKINS: I would like to say though much of this material does not apply to a lottery, a lottery is only one form of legalized gambling and, therefore, I think such figures should be taken into consideration by the Committee.

SENATOR RIDOLFI: Thank you.

R E V. W I L L I A M H. B L A C K L E Y: Mr. Chairman and members of the Senate: I am Rev. William H. Blackley, pastor of the Berlin Baptist Church in South Jersey.

I have nothing further profound to state. I came just to express by my personal presence my concern and opposition to this bill. I do represent officially the

Berlin Baptist Church in its position opposing any form of gambling and in this particular case, lotteries.

I wish to merely indicate to the members of this Committee once again, our most important concern is not merely getting of money, although this seems to be uppermost in the minds of those who are for such proposals. There is something higher and more needful as has been stated here much better than I could state, but I wish to urge this upon you, as we are concerned, and I want to repeat a statement I made from the pulpit Sunday. It was quite strong. But I stated it here again to two other gentlemen here during recess. I hope that we will have men in our Legislature who will stand for what is right, not merely for what is convenient for the moment, that we will have men who will stand on their own two feet and backs that are straight because of what is right, what is true and what is holy.

Others were quoting the Bible today. I have a copy with me. I see other ministers do too. This is the foundation of our Nation. I say it not as a cliché or something to be dramatic, but I mean it from my heart and I speak for my people and I know many others feel the same way.

So I urge you gentlemen to put this whole matter aside once again for the good of the State of New Jersey as well as for our Nation. Thank you.

SENATOR RIDOLFI: Thank you, sir.

For the record I should like to indicate I have a letter from Mr. Edward Simandl, State Chairman, Veterans

Ticket Committee. He urges the support of a lottery. I have another communication from John W. Beardslee, III, of the New Brunswick Theological Seminary, against a state lottery, and a third one from William S. George of Demarest, New Jersey, Chairman of the New Jersey Baptist Christian Social Action Committee, opposing a lottery.

Is there anyone else who wishes to be heard?

Will you come up here, please?

R E V. D O N A L D T. P H I L L I P S, S R.: I am Donald T. Phillips, Sr., residing at 197 Main Street, Matawan, where I also serve as Pastor of the Methodist Church, and I also happen to hold the position now as Chairman of the Division of Human Relations and Economic Affairs of the Board of Christian Social Concerns of the Southern Annual Conference of the Methodist Church. That's a long title for not being much. I am speaking here with no prepared statement and with no preparation at all for this, except my reaction as I sat in the gallery and heard what has been said from this table.

You gentlemen, being the wise men that you are, of course, don't need my suggestion that you take some of what has been said with a grain of salt. I had some reactions along the way when one gentleman apparently included all clergymen in this matter of endorsing gambling, particularly bingo, etc. Of course, what has happened since this shows it wasn't all clergymen, nor am I amongst them. This same gentleman, who I believe is from Long Branch, said something that I hope you will

remember, and that was his observation of what occurred in certain bingo places where he had been a participant , where there were some women who were ill clad or poorly dressed and showing signs of insufficient economic support, who he said didn't spend three dollars or five dollars but ten dollars and fifteen dollars in a night. It seems to me that he was giving one of the strongest arguments that the clergymen who are here are trying to present. But we hope your attitude will be toward this recommendation.

Also, I think it was the same gentleman who used some very peculiar reasoning to me. Amongst his extravagant statements was something like this: In New Hampshire their venture in the lottery netted \$45 per student. Therefore, there being about or at least ten times as many people in the State of New Jersey, that would mean \$450 per student. Now, of course, he didn't stop to think that maybe we have ten times as many students. These things you have observed and I'm sure you will study and discount along the way.

But if that was extravagant, there was a gentleman who sat here a little later who said that these others in their estimates of the revenue that would come in were pikers. He said, if I heard correctly, three hundred and fifty millions of dollars. Now, if there are fewer than seven million people, men, women, children - everyone - in our State, that's more than fifty dollars per person. And this was, he said, a net gain. How much would each one have to put into this venture to have a net gain?

Now, you will weigh this, I am sure, and also I hope that you will accept my personal opinion and do what you think is right and God give you good grace and judgment. Thank you.

SENATOR RIDOLFI: Thank you very kindly, sir.

Yes, Rev. Jeanes.

REV. JEANES: There are approximately 46 people that came here who signed this paper. Many of them did not speak. With your permission, perhaps this could be entered into the record as people who came from different parts of the State in behalf of our position, but didn't speak.

SENATOR RIDOLFI: That is perfectly all right. If you have a list, Rev. Jeanes, and will give it to the stenographer, we will see that it is included and I might also say that all the presentations that were made this morning either orally or by way of a statement will be compiled in a booklet of this form after they have been transcribed by the stenographers that have been working here all morning. And if you are interested in receiving this compilation when it is made, there will be a slip at the table and I would hope that you would print your names and addresses so we will know where to send them.

In view of the importance of the subject which was discussed this morning, the Committee has decided not only to send these transcripts to you ladies and gentlemen who are present here this morning, but also to make sure that every member of the Legislature gets a copy of it so that they can have the benefit of your reasoning and your

feelings on this resolution which we are discussing.
I would think that they would do a better job in making
a determination and following their own consciences if
they had the benefit of your opinion even though they were
not present at this hearing.

I now will adjourn this public meeting in behalf
of Senate Concurrent Resolution No. 7.

* * * *

SENATE CONCURRENT RESOLUTION No. 7

STATE OF NEW JERSEY

INTRODUCED JANUARY 24, 1966

By Senators MUSTO, KELLY and GUARINI

Referred to Committee on Judiciary

A CONCURRENT RESOLUTION proposing to amend Article IV, Section VII, paragraph 2, of the Constitution of the State of New Jersey.

1 BE IT RESOLVED *by the Senate of the State of New Jersey (the General*
2 *Assembly concurring)*:

1 1. The following proposed amendment to the Constitution of the State
2 of New Jersey is hereby agreed to:

PROPOSED AMENDMENT

3 Amend Article IV, Section VII, paragraph 2, to read as follows:

4 2. No gambling of any kind shall be authorized by the Legislature unless
5 the specific kind, restrictions and control thereof have been heretofore sub-
6 mitted to, and authorized by a majority of the votes cast by, the people at
7 a special election or shall hereafter be submitted to, and authorized by a
8 majority of the votes cast thereon by, the legally qualified voters of the
9 State voting at a general election, except that, without any such submission
10 or authorization;

11 A. It shall be lawful for bona fide veterans, charitable, educational, re-
12 ligious or fraternal organizations, civic and service clubs, volunteer fire
13 companies and first-aid or rescue squads to conduct, under such restrictions
14 and control as shall from time to time be prescribed by the Legislature by
15 law, games of chance of, and restricted to, the selling of rights to partici-
16 pate, and the awarding of prizes, in the specific kind of game of chance some-

17 times known as bingo or lotto, played with cards bearing numbers or other
 18 designations, 5 or more in one line, the holder covering numbers as objects,
 19 similarly numbered, are drawn from a receptacle and the game being won
 20 by the person who first covers a previously designated arrangement of
 21 numbers on such a card, when the entire net proceeds of such games of
 22 chance are to be devoted to educational, charitable, patriotic, religious or
 23 public-spirited uses, in any municipality, in which a majority of the qualified
 24 voters, voting thereon, at a general or special election as the submission
 25 thereof shall be prescribed by the Legislature by law, shall authorize the
 26 conduct of such games of chance therein.

27 B. It shall be lawful for the Legislature to authorize, by law, bona fide
 28 veterans, charitable, educational, religious or fraternal organizations, civic
 29 and service clubs, volunteer fire companies and first-aid or rescue squads to
 30 conduct games of chance of, and restricted to, the selling of rights to par-
 31 ticipate, and the awarding of prizes, in the specific kinds of games of chance
 32 sometimes known as raffles, conducted by the drawing for prizes or by the
 33 allotment of prizes by chance, when the entire net proceeds of such games
 34 of chance are to be devoted to educational, charitable, patriotic, religious or
 35 public-spirited uses, in any municipality, in which such law shall be adopted
 36 by a majority of the qualified voters, voting thereon, at a general or special
 37 election as the submission thereof shall be prescribed by law and for the
 38 Legislature, from time to time, to restrict and control, by law, the conduct of
 39 such games of chance, and

40 C. It shall be lawful for the Legislature to authorize the conduct of
 41 State lotteries restricted to the selling of rights to participate therein and
 42 the awarding of prizes by drawings when the entire net proceeds of any such
 43 lottery shall be ***[for State institutions, State aid for education, for the pur-**
 44 **pose of defraying the costs to the State of payment of a bonus to veterans of**
 45 **wars and emergencies, or for State, county, and local roads]** * *payable into*
 46 *the State treasury*.*

1 2. When this proposed amendment to the Constitution is finally agreed to,
 2 pursuant to Article IX, paragraph 1 of the Constitution, it shall be submitted

3 to the people at the next general election occurring more than 3 months after
 4 such final agreement and shall be published at least once in at least one news-
 5 paper of each county designated by the President of the Senate and the
 6 Speaker of the General Assembly and the Secretary of State, not less than
 7 3 months prior to said general election.

1 3. This proposed amendment to the Constitution shall be submitted to the
 2 people at said election in the following manner and form:

3 There shall be printed on each official ballot to be used at such general
 4 election, the following:

5 1. In every municipality in which voting machines are not used, a legend
 6 which shall immediately precede the question, as follows:

7 If you favor the proposition printed below make a cross (X), plus (+)
 8 or check (V) in the square opposite the word "Yes." If you are opposed
 9 thereto make a cross (X), plus (+) or check (V) in the square opposite the
 10 word "No."

11 2. In every municipality the following question:

	Yes.	Shall the amendment of Article IV, Section VII, paragraph 2, of the Constitution, agreed to by the Legislature authorizing the conducting of State lotteries by the selling of rights to participate therein and the awarding of prizes by drawings, when the entire net proceeds of any such lottery shall be * U sed for State institutions, State aid for education, for the purpose of defraying the costs to the State of payment of a bonus to veterans of wars and emergencies, or for State, county, and local roads, be adopted? U * <i>*payable into the State treasury, be adopted?*</i>
	No.	

THE VETERANS TICKET COMMITTEE

108 FABYAN PLACE
NEWARK, NEW JERSEY 07112



EDWARD SIMANDL
General Chairman

May 30, 1966.

Telephone 373-2084

The Committee
On Public hearing regarding Off-Track and or a State Lottery,
Assembly Chamber,
State House,
Trenton, New Jersey.

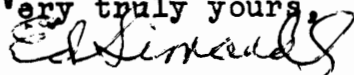
Gentlemen:-

The officers and members of the New Jersey Veterans Ticket Committee hereby enter a protest against the elimination of a New Jersey State bonus for World War Two and Korea from the pending bill, especially so at this time when more should be centered on the men who are giving their lives that democracy and freedom may survive against a world that is bent on destroying both.

No one can really estimate the amount of revenue that would be derived from Off-track betting. The amount is vast. One has but to read of the raids made here and there and of the potential annual business for each places raided and multiply these by the thousands of such places and the amounts would run into the millions.

Citizens are at a loss to understand why they are not given an opportunity to vote on the question of Off-track and or a State lottery. We put the question of a bond issue before them but why not Off-track betting? Are we afraid that the voters will adopt it?

You are no doubt aware of the fact that the State of New Jersey is one of the very few states that has not adopted a bonus for veterans of World War two and Korea? While the veterans want the bonus they do not want it if the people are to be taxed. That is why they favor Off-track betting that would bring in revenues to pay for Health, Education and the Bonus without taxing the citizens a single penny. It is said that some of our law makers claim that it would cost millions to collect the funds for Off-track betting. All we need is a commission and places where bets could be placed and these would be paid for them the proceeds. Gentlemen, you owe it to the citizens to permit them to vote for Off-track betting and a State Lottery and that the long delayed bonus be paid.

Very truly yours,


Edward Simandl,
State Chairman, Veterans Ticket Committee.

ES/KH

108

CARLOS V. GIROD, Secretary
GEORGE R. SOMMER, Judge Advocate
EDWARD BARRY, West Ward Leader

RALPH D'AMBOLA, North Ward Leader
EDWARD STAUGAITIS, East Ward Leader
ROBERT RUBEN, South Ward Leader

JOSEPH WALKER, Central Ward Leader
LEO K. KOZLOWSKI, Ward Coordinator

NEW BRUNSWICK THEOLOGICAL SEMINARY

REFORMED CHURCH IN AMERICA

May 28, 1966

Hon. Sido L. Ridolfi
Chairman, State Senate Judiciary Committee
383 West State Street
Trenton, N.J.

Dear Senator Ridolfi:

A series of other engagements will prevent my presence at the public hearing on the bill for a proposed state lottery (SCR-7), which your committee has scheduled for Wednesday June 1, at 10:00 A.M. in the Assembly Chambers.

If it were possible, I would gladly join with others who will be there to protest the bill.

I find myself in complete agreement with the stand taken by the New Jersey Council of Churches and other opponents of this sort of legislation. It seems to me to be a dangerous form of regressive taxation, and a deceptive prospect of an easy way out. Responsible fiscal policy for the state of New Jersey at this time, I feel, would require whole hearted support for the recently enacted broad-based tax, and a careful avoidance of any suggestion that there are painless ways of meeting our responsibilities. To finance the state's activities out of the proceeds of gambling would be an unfortunate disregarding of the lessons of our own past, and would not further the public welfare.

Since I cannot be present in person, I am speaking **strongly**. This, I realize, is an emotional issue on which loyal servants of the state may differ. It ought not to be settled on the basis of personal feelings or desires, but on the basis of solid and careful consideration of the social, moral, and political factors involved. Such consideration, I am convinced, will lead to the rejection of the bill, and of all efforts at the use of gambling as a means of public finance. I am also convinced that our people will respond to wise and courageous leadership in this matter, and, given the opportunity, will support the necessary taxation, and help put the state finances on a sound basis by sound methods.

Sincerely,

John W. Beardslee III
John W. Beardslee III

THE FOLLOWING LISTS OF NAMES WERE PRESENTED BY REV. SAMUEL A. JEANES:

The following citizens of the State of New Jersey attended the Public Hearing conducted in the State House at Trenton by the Senate Judiciary Committee on Wednesday, June 1, 1966 and wish to record their opposition to any extension of gambling through legalized lotteries and hereby record their specific opposition to SCR-7.

<u>NAME</u>	<u>STREET</u>	<u>CITY OR TOWN</u>
Walt C. Rugg	18 S. Main St	Clinton, N.J.
William B. Thibault	293 West 1st Ave.	Camden, N.J.
Gayle E. Lamm	29 S. 1st Ave	Camden, N.J.
John W. Moore	35 S. 30th St	Camden, N.J.
John A. F. Moore	29 S. 1st Ave	Camden, N.J.
John A. F. Moore	(North 1st Ave. Camden, N.J.)	Camden, N.J.
John A. F. Moore	(North 1st Ave. Camden, N.J.)	Camden, N.J.
John A. F. Moore	(North 1st Ave. Camden, N.J.)	Camden, N.J.
John A. F. Moore	(North 1st Ave. Camden, N.J.)	Camden, N.J.
John A. F. Moore	(North 1st Ave. Camden, N.J.)	Camden, N.J.
William J. George	51 Meadow St	Demarest, N.J.
Alan Lindahl	108 Central Ave.	Hackensack, N.J.
Charles Staeke	412 PIERMONT RD	Demarest N.J.
William Staeke	412-Piermont Rd	Demarest N.J.
Joseph C. Diaz	11-Roosevelt Ave	Jersey City, N.J.

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NAME

STREET

CITY OR TOWN

Rev. Willard Siman 2220 Woodlynne Ave. Woodlynne
 Rev. Clarence B. Conover 222 Wyoming Ave. Audubon
 Rev. Ralph P. Davis 1314 Tinton Ave. Woodbury
 Rev. Irving A. Steiner 1111 Cooper Hill Dr. Long Hill, N.J.
 Rev. John B. Crowell, 535 Jefferson Ave. Elizabeth, N.J.
 Rev. George W. Lewis Jr. 30 W. Lafayette St. Trenton, N.J. 08602
 Mrs. Elgin R. Mayer, P.O. 13 yardville, Trenton, N.J. 08620
 Rev. Harold E. Kierulff 118 Church St. Crosswicks, N.J. 08515
 Rev. William H. Kierulff 118 Church St. Crosswicks, N.J. 08515
 Mrs. D. P. Kinter Dr. 75 Church St. Crosswicks, N.J. 08515
 Mrs. Harold Perrine P.O. Box 15 Crosswicks, N.J. 08515
 Eugene Street 24 Crosswicks, N.J. 08515
 Mrs. Leo H. Koenig Ellisdale Road, Allentown, N.J. 08501
 Rev. William H. Blackley 58 Haines Ave. Berlin, N.J. 08009
 Mrs. Arthur Hartman Berlin Baptist Church
 Mrs. Merrill Knaulke 396 Allaire Ave. Lerma, N.J. 07605
 Robert Frost Leg. Coun. Dept. of C.S.R. 3rd Floor of Newark
 314 Howard St., Millville, N.J.
 Wilbert S. Hoffman 530 N. 3rd St. Millville, N.J.
 Rev. Theodore E. Asmann 71 Main St. Woodbridge, N.J.
 Robert M. Cowther Jr. 95 Sleepy Hollow Stratford, N.J.
 Richard H. Griffith 270 Colonial Avenue Union, N.J. 07085

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NAME

STREET

CITY OR TOWN

Donald T. Hill, Jr., Sr.	197 Main St	Matamoras, N.J. 01747
Guadalupe E. Phillips	197 Main St.	Matamoras, N.J. 01747
O'Wally Crasby	7N McManus Ave	Ventnor, N.J. 08406
Harold B. Juck	393 Broadway	Brown Mills, N.J. 08015
Norm J. Coan	7114 Winchester Dr.	Ventnor N.J. ^{Residence 2}
Robert J. Coan	7114 Winchester Dr.	Ventnor N.J. ^{Residence 2}
Ruth T. Hasey	29 Roman Road	Chatham, N.J. 07724
Lefty Fol	RD #2 Yardville Br.	Trenton, N.J. 08620
Catherine G. Emery	R. D 2 Yardville Br.	Trenton, N.J. 08620
John Timothy W. Ald.	29 E. Cedar Ave.	Murksville, N.J.
Julio Gomez	237 Cuyler Ave.	Trenton