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ASSEMBLYMAN FRANK E. MELONI (The Chairman): Ladies and gentlemen, my name is Frank Meloni, Assemblyman from Camden County. I am chairman of the Assembly Committee on Public Safety, Defense, and Veterans' Affairs, to which Assembly Concurrent Resolution No. 7 has been referred for study and consideration.

Seated with me this evening are several other members of this committee: Assemblyman Isadore Laufer, to my right, and Assemblyman Francis Werner, on my left. I have also asked the sponsor of Assembly Concurrent Resolution No. 7, Assemblyman William V. Musto of Hudson County, to sit with the committee. Mr. Musto is unable to be here this evening. A copy of the proceedings will be sent to him and I am sure that he will familiarize himself with the proceedings that take place this evening.

The purpose of this hearing is twofold: one, to provide the citizens in this part of the state with the opportunity to express their views to the Legislature for and against the resolution under consideration, and number two, to make available to the committee your knowledge and expressions of opinion so that it can more effectively report to the Legislature its recommendations concerning this resolution.

Let me make clear what this resolution proposes. It proposes a statewide referendum in which the people of New Jersey would decide whether or not the state constitution should be amended to permit the Legislature and the Governor to enact laws authorizing state lotteries for the purposes of maintaining and improving our state institutions, for state aid to education,

for the payment of a veterans bonus or for highways.

Specifically, this resolution proposes the following addition to Article IV, Section VII, paragraph 2 of the constitution: "It shall be lawful for the Legislature to authorize the conduct of State lotteries restricted to 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 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."

I also want to make clear that the members of the committee are not necessarily proponents of this resolution. We are here with open mind to hear your testimony on both sides of the question.

Later this year, on the basis of that testimony and other testimony that we collect from other hearings and other sources, the committee will report its recommendations to the General Assembly. One public hearing was held earlier this year in Trenton. The committee has tentatively scheduled another hearing in the northern part of the state for this fall. Information before this committee indicates that interest in the legalization of a State conducted lottery for public purposes has increased tremendously in the last few years. This stems, we believe, from several factors: the increasing demands made on the state for improved and additional services, the inability of the state to provide these services from present sources of revenue,

dissatisfaction with the present system of taxation, the gambling now permitted under our constitution and laws under which the bulk of the proceeds are retained for non-public uses, and the proposed extension of other forms of gambling for private purposes.

With this in mind, we have invited representatives of organizations directly interested in this problem to this hearing. Any persons present who wish to be heard will be given an opportunity to speak. For practical purposes, will you please confine your remarks to the issues under consideration. If those of you who wish to be heard have not given your names to Mr. Sam Alito who is acting as the committee secretary, will you please do so now and will you please indicate the organization you represent, if any, and whether you wish to speak for or against the resolution. If you have a prepared statement, the committee would appreciate it if you will make a copy of it available to the public stenographer. These proceedings are being recorded on tape and will be transcribed for the public record. Therefore, when you speak, will you please be careful to speak directly into the microphone and will you please begin your remarks by identifying yourself by name, address and organization. After each speaker has finished with his talk, the members of the committee may want to ask some questions. Please bear in mind that these questions have only one purpose, to elicit information for the benefit of the committee and the legislators. Members of the audience will not be permitted to question the speaker. If anyone in the audience wishes a question asked of any speaker,

he may ask the committee to do so. I recommend that you do so in writing.

With these preliminaries out of the way, I would like to call on our first speaker for the evening. The first speaker, ladies and gentlemen, is Assemblyman Francis J. Werner of Camden County, who is the sponsor of ACR 1. Assemblyman Werner.

ASSEMBLYMAN FRANCIS J. WERNER: Mr. Chairman, Reverend Clergy, mayors, freeholder, commissioners, distinguished guests and veterans: I would like to speak tonight as Assemblyman Francis Werner from Camden County, the sponsor of ACR 1. I would like to speak against ACR 7 and the other four veterans bills and I will give my reasons.

Assembly Concurrent Resolution No. 1, of which I am a sponsor and have been for the last six years, would allow a State lottery by a referendum vote of the people to be conducted in this state solely for the purpose of giving the veterans of the Second World War and Korea their just bonus. (Applause.)

I certainly am in sympathy with ACR 7, the bill that is being under discussion tonight, but I understand that that bill has tacked onto it, the moneys derived from these lotteries to be spent for education, institutions, highways and veterans bonus. Now certainly I am interested in highways, institutions, and I have children going to school and certainly I am interested in education. But it stands to reason ACR 7, if and when, Lord willing, this bill were to be passed, by the time the moneys that are so necessary for these other agencies were to be taken, there would be nothing left on the bottom of the pile. So, therefore,

I say that ACR 1 is the one and only bill that should be adopted for referendum.

I spoke of four other bills. These are bills to raise moneys by a bond issue, by cigarette tax, by other taxation means of which I know the 750,000 veterans in the State of New Jersey are absolutely against. The veterans are sick and tired of any new taxation, whether it be local, county or statewide. And I feel the only way to raise these moneys is through a state-supervised lottery.

And I might add, Mr. Chairman, that if in the event a state lottery were to be enacted and when the veterans have received their bonus and the veterans of the Korean conflict have received their bonus, then I say that there would be enough moneys then to pass it off to education, Institutions and Agencies, and highways. And I also might add that being very realistic in going into this problem very thoroughly in the past six years and sitting down with many committees, I am a realist and I realize that not only this state, but every state in the Union is being milked of dollars illegally that is going not only out of this state, but out of this country, and I say that a lottery, legalized, would keep these billions of dollars right back here in these United States, yes, and in the State of New Jersey.

And I also might add as you see the many, many cars coming across the bridge into Camden County from another state, we wouldn't derive these moneys solely from residents of New Jersey. Yes, it wouldn't be long before the other 48 states, Aunt Minnie and Uncle Joe and Uncle Bill from all the other states

would be writing in to buy such lotteries. Before you know it, the other 48 states would be subsidizing our lottery, lowering our taxes. You would see gasoline taxes go down, personal property taxes go down. You would see local taxes go down. This is a realistic stand because people are going to gamble. When they go to bed at night, they are gambling that they will get up tomorrow morning. And I say ACR 1 is the bill that we should be speaking about tonight, not a bill that allows these moneys, if collected, to be given off to other agencies, so justly deserved I might add. But whenever any of these agencies want revenue, you and I know, Mr. Chairman, that they find ways and means of deriving this revenue.

I would like to digress for a minute, Mr. Chairman. As I am up here fighting for the veterans bonus, I am cognizant tonight of something else that is going on more sinister than taking away from the veterans a bonus that they didn't receive. I just read in the paper two or three days ago where a Mr. Williams, a Director of Personnel in the Agricultural Department, had the audacity to state with a ten-member committee he and himself has recommended that the disabled veteran be eliminated from preferential treatment in civil service. They haven't got the veterans bonus and yet they are out to take away this preferential treatment. Ah, some people would have you believe that a veteran on any list as long as he takes the test goes to the top. Now this isn't so. Any veteran taking any civil service test has to get at least 70 points and then, if he is a disabled veteran, he goes to the top of the list. This is as it should be.

So while we are thinking of giving the veterans something

that they justly deserve, I am certainly against anything that they are taking away from them.

In many, many of the veterans meetings that I attended as sponsor of ACR 1 in the last six years from Hudson County to Cape May County, I have been asked many things. One of the things I have been asked is: In the event that a veterans bonus were to be granted in the State of New Jersey, what is the relationship to the assessment? How is the relationship to our veterans deduction? And I have always answered them this: Right now the veterans in the State of New Jersey receive a \$500 property deduction which amounts in many cases to \$50 on their over-all tax payment. I have told them this: In the event they receive a bonus, I cannot see the politician whether he be an assemblyman, whether he be a senator, whether he even be the Governor, that would have the nerve or would have the intestinal fortitude to propose that we take away from the veterans their veterans deduction and still retain his place in office. That has always been my answer to them.

As far as the 100 per cent assessment, I have claimed whether the veteran gets his bonus will have no bearing on the assessment because there are other measures in the Assembly to raise the veterans exemption to \$800 or \$1,000 rather than the \$500 he now receives.

Ladies and gentlemen and members of the committee, Reverend clergy, I say that I am gratified to appear at the second meeting you have had, when I see many, many times the twenty that attended in Trenton - people down here who have the time, the willingness or whether they have it or not, they still

saw fit to come here, not only people of the rank and file of veterans and their friends, but people of prominence, commissioners and freeholders and mayors of towns, and heads of labor unions. This I like to see because this shows me that the people are realistic, they believe that a veterans bonus is imminent, and I believe that ACR 1 is that bonus. Thank you, Mr. Chairman. (Applause.)

ASSEMBLYMAN MELONI: We have several communications that have been forwarded to the committee of individuals who were unable to be here tonight who want to have inserted in the record their opinion on this particular hearing. I would like the secretary, if he will, to read the communications.

MR. SAMUEL ALITO: Mr. Chairman, the first communication is from William F. Hyland, Assemblyman from Camden County:

"Hon. Frank E. Meloni, Chairman
Committee on Public Safety, Defense & Veterans Affairs

"Dear Mr. Meloni:

"Thank you for your invitation to be present at the hearing to be held this evening by your committee on the subject of Assembly Concurrent Resolution No. 7. Unfortunately my attendance will be impossible because I had agreed some weeks ago to work with a group of citizens from my own community in developing an intensified drive for the registration of voters and these lengthy efforts will culminate this evening, and again on Thursday evening of this week. I expect to be tied up until too late to permit attending such a meeting.

"I do wish to report several matters to you from my own observations with reference to the veterans' bonus. It will be appreciated if you would make this part of the record of your hearing this evening.

"There is no question in my mind about the virtually unanimous support in this county, especially among the veterans' organizations, for the payment of a bonus. The difficult problem is how to get everyone

to agree upon a method of financing the cost. You will recall that a few years ago a proposal was placed upon the ballot, but since this called for financing the bonus through a business tax, it was overwhelmingly defeated. As a matter of fact, many veterans' groups campaigned against this particular proposal. At the present time most of the individuals with whom I have discussed this matter would support Assemblyman Musto's resolution, although it is true several church groups have contacted my office to advise me of their opposition to a state lottery, no matter what the proceeds would be used for. The problem of your committee would be to evaluate these conflicting viewpoints in determining whether this particular measure should be advanced to a floor vote in the Assembly. Whatever should be decided upon, I can assure you of my support in helping to bring this important question before the people.

"I would also like to bring to your attention another problem which I feel seriously affects the rights of our veterans. As you know, many municipalities throughout New Jersey have gone to 100 per cent assessment levels. It is quite possible that even a greater number of municipalities will go into such a program in 1960. The effect of increasing the assessment ratio in this fashion is to virtually destroy the benefit of the veterans' exemption on real estate. For example, in Haddonfield where the Commissioners have adopted a 100 per cent standard, the actual value of the veterans' exemption has dropped to about \$12 a year, whereas it used to be in the neighborhood of \$50. Many other states look with envy upon New Jersey because of the advantages of the \$500 exemption, provided to our veterans for a period of many years. I think that your committee should make every effort possible to see that legislation is enacted into law which will protect those homeowners who are veterans from losses of this kind as the result of radical changes in the assessment programs in the various municipalities.

"Very truly yours,
(signed) William F. Hyland"

There was a second letter, addressed to you, Mr. Chairman, from Edward J. Barry, Legislative Chairman, Essex County Veterans Ticket Committee:

"Hon. Frank E. Meloni

"Dear Sir:

"There will not be any representative of our organization

at the public hearing on Tuesday, September 15th, 1959, at Camden, New Jersey, on Assembly Resolution No. 7.

"We have not changed our attitude in regard to a state lottery and our stand towards the same was firmly expressed by our chairman, Edward Simandl, at the public hearing held in Trenton, New Jersey, a few months ago.

"We understand that another public hearing on this Resolution will be held in Newark, New Jersey, some time in late October or early November. We would sincerely appreciate it if you would inform us of the exact date, time and place where the meeting will be held. Thank you.

"Sincerely,
Edward J. Barry"

ASSEMBLYMAN MELONI: The next gentlemen I would like to call on is Mr. George Hance, Veterans Committee, R.C.A.

MR. GEORGE HANCE: Mr. Chairman and fellow veterans: It places me in a very difficult position to follow Assemblyman Werner here because after hearing him, I can say my attitude is just the same as his is. As you all know, here in Camden County we have fought for this veterans bonus for many a year. We have been let down a lot, believe me, by our own veterans. But after hearing Assemblyman Werner talk about ACR No. 1, I don't think there is much I can add to it. But I will say this, it puts me on a terrific spot here because we were waiting for our turn, pro and con on this thing, and putting us up like this, number one and number two - it isn't much good.

But I will say this, after hearing the gentleman reading a letter from Assemblyman Hyland, as we know before when we had meetings, Assemblyman Hyland is the man that really knocked our feet out from underneath us because when we first proposed

this bill, we only asked for a bonus for the veterans of World War II at that time. Since that time, the Korean conflict came along; at that time we put up a terrific battle all the way down the line that we didn't want any riders on the bill. Since that time, as you heard the Assemblyman read it out, on ACR 7, they put on there education, they put on there institutions, they put on highways and everything else.

Now the way we fought the bill on ACR #1, it was a veterans' situation and that is the way we wanted the thing to go through. Now, arguing this thing pro and con we heard about the \$500 exemption, and it is carried on to make a lot of veterans think that this thing will be taken away from them. But like Assemblyman Werner said, he defies any politician - I don't care who he is - to stand up and say he is going to take away the \$500 exemption from the veteran.

And we could go on and on and on and talk on this thing. But like I say, I got put up here following a man who knows a whole lot more about this bill than I do. But Assemblyman Hyland took the attitude once before, and I quote what he said at the meeting - I have people sitting here that heard him - he couldn't see in any way ---

ASSEMBLYMAN MELONI: Mr. Hance, I appreciate what you are attempting to say but the purpose of this hearing is to bring out information relative to ACR 7 and I think we ought to refrain from getting into personalities. Do that some other time.

MR. HANCE: Well, we are not getting into personalities. Believe me, I am only bringing forth the point whereby we argued before on this bill ACR No. 1, and at that time it was a plain

bill for a bonus for veterans in the State of New Jersey. Since that time the riders have been put on this ACR No. 7 pertaining to education and everything else. And you know yourself, you were sitting there, that this all came up at that meeting, the first one we had on the bill. That is the only reason I am bringing it forth. As far as personalities, no. After all, he is from Camden County and we have a right, I think, if we think he is not going to represent us, to protest and say what we think. It's not getting into personalities. I don't know the gentleman any more than when I met him in the committee meeting.

But like I said before, the bill was brought up the first time for the benefit of the veterans. Now we can go into this thing pro and con because, after all, as far as the institutional part is concerned, the educational part of it, the highway part of it and everything else - it would be a lottery in the State of New Jersey for the rest of your life, whereby if it were proposed like ACR No. 1 is, it would be for one purpose - that's the veterans' bonus. Believe me, like the Assemblyman said, I believe in institutions, I believe in education and I believe in good highways in the State of New Jersey. But I think we are getting pretty hard hit right now as far as taxes are concerned for those purposes and I think that most of the veterans here tonight are in favor of ACR No. 1. Thank you. (Applause.)

ASSEMBLYMAN MELONI: At this time I would like to call on Albert J. Gifford, Camden County Council, Veterans of Foreign Wars.

MR. ALBERT J. GIFFORD: Mr. Chairman, my name is Albert J. Gifford. I am the Camden County Veterans Service Officer

for Camden County, but I am not speaking as a Camden County Service Officer tonight in my capacity, I am speaking as the Camden County Service Officer of the Veterans of Foreign Wars.

I cannot agree too much with ACR 7. I am fully in accord with the words that Assemblyman Werner has spoken. Now, as the Assemblyman who wrote this bill, Mr. Musto, has so ably pointed out in this bill, our colonial ancestors in all the Thirteen Colonies had a lottery. They not only used it for the establishment of schools, colleges, churches, bridges, docks, canals, turnpikes, but government buildings and for the poor.

Now if you take a lottery in the State of New Jersey and take it for educational purposes, if you take it for roads and highways and so forth, in the bottom of the bucket there is not going to be much money left for a soldiers bonus. I would say that I am fully in accord with ACR 1. Let's pay the bonus first. Then if they want to continue the lottery, let them continue it. I would not be in favor of a lottery that is going to pay huge sums of money as one prize. I would favor a lottery that is going to pay possibly one thousand \$1,000 prizes, possibly five hundred \$500 prizes, and possibly two hundred and fifty \$250 prizes, so that the money would be spread out over the state.

As you know right today, as the Assemblyman pointed out here speaking, that there is a tremendous amount of money gambled in the state every day, not only at our race tracks where it is legalized, but in the number rackets and other rackets - horse races and so forth in bookie joints. Whereas if this lottery were controlled and tickets were sold by our county clerks, our

city clerks and controlled by the municipalities in which the tickets were sold, there would be no element of chance of forgery or anyone getting in on these rackets. If it is controlled properly by the state, I am in favor of ACR 1 and I am sure that the Veterans of Foreign Wars would back that bill. Thank you very much. (Applause)

ASSEMBLYMAN MELONI: I would like to call on Norman C. Hansen, Independent Candidate for the New Jersey Assembly, of Monmouth County.

MR. NORMAN C. HANSEN: My statement will be somewhat different from the previous statements. Although I do favor the veterans bonus, something that should have been given the veterans many years ago, my statement is favorable to state and national lotteries generally. I would like to read my statement for obvious reasons.

Chairman Meloni, members of the Committee, ladies and gentlemen: My name is Norman Christian Hansen. I reside in my own home at 20 Jessica Place, Monmouth Beach, New Jersey, and am employed as railroad ticket agent at Matawan. I am married - and father of three daughters, two of whom have been attending school in half sessions as are thousands of American children today.

I am a legally qualified independent candidate for the office of New Jersey State Assemblyman - representing Monmouth County. My candidacy as such has no direct interest outside of my own county other than that my primary objective in running for public office is to force a referendum on the question of state lotteries. Since neither political party has as yet allowed the

people to decide for themselves so vital an issue in accordance with their constitutional right, I am acting as a citizen and a taxpayer in my own interest as well as in the interest of the residents of Monmouth County, New Jersey, and the entire Nation.

One might argue the question of whether or not state lotteries are gambling, sin or crime from now until doom's day without reaching satisfactory agreement. I am not here to argue, although I consider myself fully capable and equipped to answer the hypocritical special-interest inspired opponents of such measures.

I am here to underline the only real issue involved, namely the sacred and constitutional right of the individual citizen of New Jersey and of America to decide for himself, by referendum, whether this state and this Nation are ever to have state and national lotteries, which are today common throughout the world.

Through my candidacy I am giving the voters of Monmouth County a clear choice as to a state lottery on the one hand - and a New Jersey state sales or personal income tax on the other - a choice between party machine rule and individual democratic freedom - a choice on issues which neither party are submitting to the people or even taking a stand on. Although I am campaigning under tremendous handicaps, I believe the results of the election in Monmouth County will to some extent represent a demonstration of public opinion on the lottery issue - since my campaign slogan is clear and unequivocal: "A vote for Norman C. Hansen is a vote for a New Jersey State Lottery," as indicated by

a sign erected on the roof of my own car.

I hereby charge both major political parties along with a large segment of the public press of New Jersey with long depriving the citizenry the benefit of full public airing of the lottery question and ultimately of the right of referendum. I ask why geographical and special interest inspired questions, such as Boardwalk Gambling and Sunday Closing, appear on this year's general election ballots, while the lottery question which affects all residents of the entire state is conspicuously missing?

In personally contacting over 5,000 residents of Monmouth County, I have experienced less than 30 showing outright opposition to state lotteries, indicative, I believe, of general public opinion.

Some time ago I requested that this Committee arrange for a public hearing on lotteries in Monmouth County. I repeat that request here and now - and would like to add that regardless of the outcome of the local county election, I intend to circulate a citizens' petition throughout the state to force the printing of the lottery question on election ballots at the earliest possible date. I hope the leadership of both parties and the public press will soon awaken to the universal demand for a referendum so that the inconvenience and expense of a petition may be spared.

I have so far spoken over 3 radio stations, 2 in South Jersey, and am presently negotiating with others for time to broadcast an appeal for statewide support for a lottery referendum. Though I am prepared to go it alone, if necessary, I would welcome whatever support that might be forthcoming from whomever may be

moved to act and in whatever manner they see fit.

In my estimation the stalling and dodging on the lottery issue does not fall far short of a "crime" - and is most certainly a grave injustice against the average American citizen, who is being gradually overloaded with taxes of every conceivable kind, without recourse.

I appeal to the members of this Committee and to the present members of the New Jersey State Legislature to press for an immediate referendum on state lotteries so that New Jersey may be saved from a state sales or income tax and so that New Jersey might lead the way in demonstrating that America still has a government of the people, by the people and for the people. Let us either rid this state of all gambling or allow the people to decide the issue which affects us all in so many ways. Freedom of religion, of the press and of referendum are just a few of the many aspects of the lottery question.

May every elective public servant and candidate for public office hereafter display the courage of his convictions by stating his stand on the general question of state lotteries in order that the people may have an opportunity to express their opinion by secret ballot.

A referendum must no longer be denied, whether it be by political party, politician, partial religious leader, special interest or racketeer.

If desired, I am willing to submit to cross examination by this Committee or others at this time. Thank you. (Applause.)

May I add something, Mr. Meloni, I have here a copy of

"The Hazlet Herald," September 2, 1959. This is the first newspaper in Monmouth County which has come out editorially and officially for state lotteries. "A False Sense of Morality" is the title. Would you like to hear it or may I just give it to the Committee?

ASSEMBLYMAN MELONI: If you want to read excerpts, if it isn't too length, you may. We would like to have a copy for the record.

MR. HANSEN: It isn't too lengthy, no. Perhaps it would be of interest to the general lottery question to see that in Monmouth County there is a move for state lotteries.

This is from "The Hazlet Herald." "A False Sense of Morality" is the title. (Reading) "It is encouraging to note that one candidate is bringing the issue of a state lottery into the coming Assembly contest.

"The question of a state lottery is one which has been kicked around quite a bit in the last few years. Several bills have been introduced in the Assembly but always die without a vote. The biggest opposition always appears in the form of hypocritical statements of morality. It is further emphasized that the clergy are strongly opposed to such a lottery.

"We can see no question of morality involved in this issue. Politicians who are well aware that gambling is going on openly throughout the state defend their position of hostility toward a lottery on moral grounds. It should also be noted that in the United States we do not operate on a 'three estate' form of government as France once did. We hold to

government 'by the people' not 'by the clergy.' Regardless of the opposition the question of a lottery should be decided by the people, not by a small group of paternal politicians and clergymen who are supposedly protecting the interests of the people."

The next lead is "Government for Gangsters."

"Is the legislature protecting the people or the interests of gangsters when they refuse to give New Jersey a lottery? The money is being spent right now regardless of anti-gambling laws. We all know this. Yet millions of dollars annually pour into the pockets of underworld characters while educational standards in New Jersey continue to decline. The gangster makes millions which could be channeled into public education. Is it morally right to protect racketeers and yearly gouge property owners with ever increasing taxes? It has been estimated that \$500 million dollars a year could be directed into education in New Jersey by means of a public lottery.

"For the benefit of those who frown upon lottery-supported education, it should be remembered that Rutgers, the State University of New Jersey was established on funds raised by a lottery."

I would just like to give you a copy of the "Monmouth County Eagle." I won't read that article. There is a photo of myself, not that I want to boost myself. It won't do me any good in Camden County because no one here can vote for me anyway. But the headline is "Hansen Opens Out of County Drive for State Lottery." That is regarding my recent speeches over

Camden radio and Bridgeton radio and a speech next week over Bridgeton. Thank you.

ASSEMBLYMAN MELONI: I would like to ask you a question.

MR. HANSEN: Yes, sir.

ASSEMBLYMAN MELONI: You stated that you intend to circulate petitions throughout Monmouth County and the State of New Jersey in order to see that this question --

MR. HANSEN: -- is resolved.

ASSEMBLYMAN MELONI: -- is resolved. Are you of the opinion that this could be done without action of the legislature?

MR. HANSEN: I am of the opinion that it is a constitutional right of any individual citizen of this country to circulate any petition whatever to petition the United States Congress or the New Jersey State Legislature on any matter, yes, and I intend to do so alone, if necessary, or with the support of the public if that is forthcoming.

ASSEMBLYMAN MELONI: One other question: Do you have any idea of the amount of revenue that could be raised as a result of a state lottery? Have you done any research work in that respect?

MR. HANSEN: I have done quite a bit of research work, yes. I am not completely done with my research. I am doing some research also in Norway where I spent about twelve years and where I know three state lotteries are run for the benefit of the people. It is impossible for anyone to really estimate how much money would come in through a lottery. Many times I have seen the numbers tickets and people buying and winning and losing on the numbers rackets. And we all know of the Irish Sweepstakes where people really take tickets on a state lottery, only it is

not our state. It is illegal; but if you win, you pay your tax - you break the law but nevertheless you go free. It is so hypocritical that it is sickening in my estimation.

But back to the question - I am sorry - I personally estimate that a New Jersey state lottery the first year in existence, at least, will bring \$500,000,000, for the simple reason that if New Jersey gets it first, you can be sure that every neighboring state will be interested in taking New Jersey Sweepstakes tickets rather than Irish Sweepstakes tickets.

ASSEMBLYMAN MELONI: One other question - have you given any thought as to how the sale of lotteries would be conducted and by whom?

MR. HANSEN: Well, since Federal law forbids transportation of any lottery material or sending it through the mails, I imagine that it could not be done through the post offices. I don't think it could be sold through the post offices. But that would be the best place to sell national lottery tickets when the time comes that we do get our national lottery. I would say through the banks, through the banks, whose bookkeeping is really controlled by the government and that would be the best possible safeguard move against any diversion of funds or any graft or corruption or anything else. I would say the sale would go through the banks.

ASSEMBLYMAN MELONI: Thank you.

I would like to call on Rev. Samuel A. Jeanes, Council of Churches of Greater Camden.

REV. SAMUEL A. JEANES: Mr. Chairman and members of the

Assembly Committee on Public Safety, Defense and Veterans Affairs, ladies and gentlemen: The Council of Churches of Greater Camden is unalterably opposed to the adoption of Assembly Concurrent Resolution No. 7, which would further extend legalized gambling in the State of New Jersey.

We would like to have included in the record of this hearing the statement filed with this committee on behalf of the New Jersey Council of Churches on February 24, 1959, at a similar hearing conducted in the Assembly Chambers at Trenton if that meets with your permission. You will recall that we developed rather extensively not only moral, but also economic reasons regarding the unwise of this type of proposal. We also in that statement called attention to the fact that the matter had been considered by the State of Massachusetts and we included the statement of one distinguished citizen in opposition to this who joined along with hundreds of thousands of other people. That was Richard Cardinal Cushing.

As we recall the testimony at the testimony at the Trenton hearing, it would seem that there was no interest in this resolution as far as the agencies responsible for State Institutions, Education, Roads and Highways were concerned. The needs for these causes are now being met through the normal channels of taxation.

We further noted that not all of the veterans groups were unanimous in the support of this bill. The Catholic War Veterans went on record in favor of a bonus but not in favor of a lottery. A spokesman for the Veterans of Essex County declared that a

referendum on a lottery for a bonus for veterans would set the veterans' cause back ten or fifteen years. The spokesman for the American Legion stated that they would not at any time recommend how the bonus money should be raised by the Legislature.

It is our belief that the groups which are clamoring for a bonus by means of a state lottery, perhaps unwittingly, are actually harming the cause which they espouse. Hundreds of thousands of citizens in all parts of this state are immediately alienated to the idea of the bonus because of the proposed lottery. Every time a bill like this is introduced, you can expect church representatives of all of the denominations to raise their voices against it. Lotteries have a long history of failure. They are economically unsound, socially disintegrating and morally dangerous to the well-being of our citizens. Even when they were allowed in the early history of our Nation, it did not take long for society to repent and outlaw them again.

Certainly if there is any sincerity in securing a bonus for veterans, this assistance should be sought through the regular channels of taxation in line with the fiscal policy of the state and in keeping with normal legislative procedures. Two bills are before the Legislature right now in this current session. Both of them have been introduced by Assemblyman Hauser from Hudson County. One would create a debt of \$150,000,000, subject to a referendum to pay a veterans bonus in the form of bonus notes payable in 1969. The other would increase the cigarette tax one cent on each package to finance the cost of a bonus. If the people of the state are in favor of a bonus, legislation of this sort should be given consideration. The cost

of the bonus should be shared by all of the citizens, and not just by those weak individuals whose gambling mania should be protected and not exploited.

ACR 7 is detrimental, we believe, to the well-being of the people of this state and we would again respectfully request the committee to report unfavorably upon it. Thank you, Mr. Chairman.

ASSEMBLYMAN MELONI: At this time I would like to call on William J. Shepp, Commissioner of the City of Camden.
(Applause.)

MR. WILLIAM J. SHEPP: Mr. Chairman and members of the Committee: I am the Director of Revenue and Finance of the City of Camden, but I am not appearing in that capacity. I am here as an individual.

As I see Resolution 7, the primary question is whether the public should be allowed to vote. Now I believe in the right of the public, the individual, to make decisions which concern him. I don't think that someone else should make those decisions. A referendum is a method by which the general public decides upon these issues. This is a controversial issue. You will find those who favor and those who oppose controversial issues. Elected officials have a tendency to dodge them even though they should take a stand. I think the public has a right to make that decision and that should not be taken away from them. I believe that a referendum is the proper method of having controversial issues determined and then the majority decision should be binding and control. That is the primary issue here.

A secondary issue is the lottery. A lottery is nothing more than a method of gambling. Some oppose it on moral grounds; others oppose it on other grounds. In this state the public has seen fit to permit other forms of gambling. We have racing and betting at the tracks and apparently it is accepted. It is no longer immoral to bet on the races at the track. We have bingos conducted by churches and charitable institutions and fire companies and there appears to be nothing wrong with that. And we also have raffles conducted also for charitable purposes.

Now I can't see why the public cannot make an honest determination whether they should have another form of gambling and that is a lottery. I have seen children who didn't know what gambling was sitting on the curb betting their pennies on license numbers as the cars went by. I have seen them bet on the numbers on the trains of the railroad as they went by. They were betting their pennies or whatever they had. That is a human trait or instinct that some are born with and they will die with it. You cannot destroy it. I have read many articles by law enforcement officials who say that gambling cannot be stamped out, it cannot be eradicated. Now if something cannot be eradicated, then it should be controlled. We all know about the noble experiment of prohibition. Many persons have thought at one time that by prohibiting by legislation you could control these human instincts, but we have learned that it cannot be done, that we had to resort to permitting its use and regulating it. And I believe that the proper approach to any such problem is by good regulation.

We all know that there is gambling going on in this city, in this state, and in every state in the Union, and it cannot be

stamped out. And the proceeds from this gambling go into illegitimate channels. Now there is no reason if this cannot be stamped out, if the housewife is going to put her money on a number - and I am talking about decent, honest, respectable citizens who wouldn't hurt anybody and wouldn't do anything wrong - if she places her nickel or her dime on some number, hoping to win - and if she happens to be flushed with money, she may put a buck on it, and if she hits she may not collect.

Now if we have real honest regulation, legitimate operation, no one is going to get hurt. Those who oppose it, just like with liquor, can refrain. I am not a gambling man. I am not speaking because I think that I would like to do it legitimately. But since I know that there are a large number of people, large segments of humanity who cannot stay away from it, then we ought to make it just a little more pleasant and get some benefit out of it.

With a method of gambling that we permit, a person can go to the race track - he bets - and the next day he is all ready to bet again. That instinct, that hope, the belief that he can win, has been destroyed and the next day he has to go back and renew it. And he continues this. Also with the playing of the numbers or bingo, the evening is over and you know you lost - you have to go back tomorrow or next week again to restill this hope that you are going to win. Now, in the case of a lottery, all right, they won't bet a nickel or a dime - they will put five bucks or ten on it - but they know, each one that puts his money on the lottery, knows that he is going to win. He has

an absolute assurance - that's why he bets, because he knows he's going to win. And he will have to sit around for months before he knows that he has lost, and he's going to lose because most of them do. But he has that urge, he has that feeling, he's lucky, he's going to hit, and that's why he puts his money on it, whether it's on a nag or a number; and it would be the same on a lottery or whatever system is used.

Now, if he has that belief and it's riding for months, he won't have that desire to put on more money because he has a sure winner. For months he can sit around and wait. He knows he is going to win but he ultimately is losing and he will lose. Then again, he can repeat. If a lottery is run once a year, the total cost to him might be five or ten bucks, whatever he wants to put on it. If you run it twice a year, - and I doubt whether a lottery statewide could be run oftener than that - he will probably bet twice a year. The loss to that man, betting what appears to him to be a large sum of money, will be less than putting his dime every day on a number, or going to the track several times. You will do him a favor by letting him off easy.

Now the person who doesn't want to bet doesn't have to. This thing isn't being forced on anyone. Nobody has to go out and drink intoxicants. If you want to be an abstainer, you can. But if another person wants it, he thinks he needs it, - he was able to find his moonshine and he will continue to find a place where he can place his bet.

I think you will do not only him a favor but also the public. Now the money from this illegitimate and illegal

betting goes into the pockets of persons where it doesn't belong, which tends to create crime and rackets which cost the public a lot of money to try to prevent. It can't be prevented, it is merely deterred.

That will eliminate a certain phase of criminal activity, - the hoodlums who want to control all types of gambling. It will be doing the public a favor. It will also let the individual, who desires to bet, let off his steam; and the money, the profits from it, can be put to a good use.

I am not particularly interested in whether it goes into a bonus for veterans or whether it goes into institutions for welfare or public roads or other public purposes. It will relieve the taxpayer of that burden. It is easy enough to say that there are bills to raise taxes. As a Director of Revenue and Finance I know. We can raise taxes. We can double them and we can triple them, and we can go out of office doing it. We don't have to double them, we raise them a few cents and they are hammering on our doors, "What are you doing with the money?" Yes, it can be raised by taxation but nobody wants to pay it.

Now, some people say, "Why place it on a certain element? Raise it out of a certain use." The suggestion being, put it on cigarettes. Why should the smoker pay this tax for a particular purpose? whether it be for a veterans' bonus or some other purpose? Or you could raise it by a gasoline tax but why should the motorist pay it? Now we have a lot of volunteers willing to pay it; they're ready and waiting to put their money on it, begging you to take it. You will do

them a favor by taking it and you will do the taxpayer a favor by relieving him of an additional burden.

I thank you.

(Applause)

ASSEMBLYMAN MELONI: Thank you very much, Commissioner, for your opinions and your views on this matter.

I would like to call on Joseph A. Ward, President of Local 80-A United Packing House Workers of America, AFL-CIO.

JOSEPH A. WARD: Mr. Chairman and members of the Committee, ladies and gentlemen: My name is Joseph Ward, 4531 Harding Road, Pennsauken Township. I am President of 80-A United Packing House Workers of America, AFL-CIO. We represent the Campbell Soup Workers and the Charles E. Knox Gelatin Company of North Camden.

I, too, have an open mind on these subjects before the Committee tonight. In general, I am in favor of the referendum idea because the people should have a chance to decide.

So far as the question of putting a broader base on the appeal for the lottery by allowing the proceeds to go to public institutions, schools and highways, along with the veterans bonus, which of course would be a primary interest of mine and also of many workers at Campbell's Soup, it might be a good idea if you do broaden the base by tacking on these other benefits which would accrue from a public lottery. That, of course, is a debatable point and I am not here to debate. I have an open mind.

In general, however, gambling is not wrong. It's only the abuse of gambling, like anything else, that is wrong. Everything that exists today is abused by some people but we don't outlaw it or shy away from it, we go along with it because the vast majority of people keep within limits and bounds and a great deal of benefit accrues to the common good and the common society of which we all are a part.

It would not be my thinking that a lottery would take away the basic structure, our tax structure, in support of public institutions or even in regard to our obligations to

veterans and other deserving public servants. But it would help to ease the burden of taxation.

I certainly would not want to undermine the basic tax structure of the State of New Jersey. No one would want to do that. But it certainly would ease the burden. And to that extent I certainly would be in favor of the lottery.

We have been talking about the horse races and people taking chances on the horse races. I think the people of New Jersey ought to be allowed to take a chance on the human race and be permitted the opportunity to vote on the referendum ballot on the question of a state lottery.

Thank you.

(Applause)

ASSEMBLYMAN MELONI: I would like to call on George Ewing, Chairman of the Veterans Bonus Committee.

GEORGE EWING: Ladies and gentlemen, and respected guests, you will excuse me because I have been hurt and I probably won't be able to say all that I want to say. I am George Ewing of 1554 Bradley Avenue, Camden, New Jersey. My title is Chairman of the Veterans Bonus Committee of Camden County.

Ladies and gentlemen, I am opposed to ACR 7. Just as you read in the paper the other day, the American Legion said that we should collect a bonus in ten years - my God, I don't think I'll last that long. I am in favor of ACR 1 for which we have been fighting for practically six years.

Ladies and gentlemen, I am representing a group of veterans of Camden County, a 6572 membership, and I can

truthfully tell you we are in favor of ACR 1, we made up -
The Assemblyman will grant us that, that our group has made
that up - so we would be in favor of ACR 7 if they paid the
veterans bonus first and then institutions, roads and education,
which is an endless chain, as you are well familiar with.
The bonus first, last and always. (Applause)

And ladies and gentlemen, I am sure you are all well
aware of the fact that education and institutions and all that
is a very fine thing. We don't oppose that in any way, shape
or form, but as I said, first the bonus should be paid to the
veterans and then all these other items should be taken into
consideration. They will have a great deal to do with helping
us to have a great state here. We have no wage tax. We have
36 less taxes to pay than Pennsylvania. So I say to you,
if we had a sweepstakes lottery - there is an Irish sweepstakes,
you are all familiar with that, and millions and millions of
dollars go out of this country every year. I think it is time
that we stopped sending all that money to Europe, to any
country in Europe, and use it right here in the United States
for a good cause - our veterans. Most of us are getting a
little age on us now and when they start talking about paying
us ten years from now, we won't be here, a great number of us
won't be here, including myself. And if we run a state lottery,
I am sure it would go a long ways in cutting taxes, to bring
outside industries into the State of New Jersey - that's what
we need, more population and more industry brought into the
State of New Jersey and there is only one way that we can do
that and that is to cut taxes. And how are we going to cut

taxes? Let the gambler gamble. Let him gamble. He wants to do it. I don't. All I want is the bonus. (Applause)

If you will excuse me, I can't express myself as I want to, it is very hard for me, but I am sure a great number of my group are here tonight and I might say to Assemblyman Meloni and Assemblyman Werner that our group has 6,572 men who belong to our organization. It is too bad that most of those boys are a little bashful in getting up and talking, and I was taken sick so you will excuse my attitude toward so many people.

We have been fighting this for 16 years. The veterans themselves deserve a lot of credit for all the work that we went through and everything that we have done. And I was particularly interested in one thing that was said here tonight that a great number of veterans are afraid if this bonus is paid by a sweepstakes lottery that they will lose their \$500 exemption on real estate. But I am big enough to realize and say that every veteran doesn't own a property. There are only a few veterans who own property. So, therefore, that few would not lose that \$500 exemption. I am hoping that the \$500 exemption goes up to a thousand dollar exemption because now they are starting to kick the veteran around, as you are well aware of the fact. I'm one of the old boys that went into Washington with my boyfriend Sergeant Ray Smith. He was there and he knows how we were run out of Washington. (Applause)
So here we are.

Why I am having so much to say, ladies and gentlemen, is because I am a veteran of two wars, the first and second World War, and I also have had the privilege of having my

son enlist with me at the same time I did.

I am positively in favor of a bonus for the veterans from New Jersey when 27 other states in the United States have already paid it. (Applause) We should stop and realize the fact that New Jersey is the seventh largest state in the Union and the seventh richest state in the Union. There are many states much smaller and much poorer than New Jersey that have paid a bonus to their veterans, and I'm sure that people of the other states don't think any more of their veterans than the people of New Jersey. So I say to you, let's fight and get it on the ballot and see what the public thinks of it.

Thank you. (Applause)

ASSEMBLYMAN MELONI: I would like to call on Robert Karge, Mayor of Audubon Park.

ROBERT L. KARGE: Mr. Chairman and members of the Committee, my name is Robert Karge. I am Mayor of Audubon Park.

I really can't add too much to anything that has already been said but my opinion follows parallel to Commissioner Shepp's in reference to having a referendum. I, personally, am in favor of a state lottery, for more reasons than I care to express at the present time. I would rather see this referendum put on the basis of "Shall the State of New Jersey have a lottery?" and vote on that solely. The reason I bring that out is this, in this ACR-7 - it specifies in a letter originally sent to me in reference to this meeting being held at a certain time that ACR-7 will have funds available for education, institutions, veterans' bonus, and the building of roads; and also on the back of this Resolution that was mailed

to us there is a statement that takes in a page and a half and that statement, the last paragraph, specifies the same as I mentioned a moment ago, namely, the bonus, etc. But in paragraph C of the Resolution itself there are the words "and emergencies". It's the only place that refers to "emergency" in that Resolution. And I am sure if the intent of that word means what I think it does, then the Legislators of the State of New Jersey could use that particular word "emergency" for any purpose that they wanted to use it for. Consequently, there wouldn't be a bonus given to the veterans or anything go to education or the institutions which they speak of in there.

That's about all I would like to say. I would like to see a bill passed that we do have lotteries in the State of New Jersey but what it shall be for shall be drawn up at a later date with more consideration and more distinct wording that means exactly what it says.

Thank you, gentlemen. (Applause)

ASSEMBLYMAN MELONI: I am sure that the members of this Committee would like a clarification of that particular phase of the Resolution and we are definitely going to go into that thoroughly.

At this time I would like to call on Stanley E. Sluzalis of Camden.

STANLEY E. SLUZALIS: Mr. Chairman, members of the Assembly, representatives of the Press, Veterans, representatives of the Clergy, ladies and gentlemen: My name is Stanley Edward Sluzalis and I reside at 1171 Whitman Avenue, Camden.

I come here tonight as a representative of myself as a

taxpayer and a voter.

I listened to Assemblyman Werner clarify Resolution 1 and I am very much in favor of what he had to say. However, this Resolution 7 has a lot of tin cans tied on to it, which I mean are flaws whereby I think that if it was going to be put up as a referendum the veterans should come first and whatever is left after paying this bonus then should go to the various institutions and highways and what not. As you know in the State of New Jersey I think the motorist is paying one of the highest fees in the United States, as far as the license is concerned, tags, permits and what not. I think they are getting sufficient revenue through that particular channel. However, I would like to see this thing put on the ballot as a referendum.

I am a prohibitionist. I don't drink, I don't smoke, I am a total abstainer and I don't gamble. However, anything that I can do to help the veteran I am going to do, and if it is put on the ballot as a referendum, you can rest assured that I and anybody I can get out on election day will vote "yes" in favor of it.

I thank you. (Applause)

ASSEMBLYMAN MELONI: I would like to call on Frank Weaver, President of Local 676, International Brotherhood of Teamsters.

FRANK WEAVER: Mr. Chairman and members of the Committee: I would like to state that I, personally, and my organization are for a veterans bonus. The methods by which the bonus is given or procured is something for the public and the State of New Jersey to decide. I think that every citizen who has the

privilege to vote should have a right to decide whether this is the method or whether it isn't.

Now with respect to the other bill that provides certain amendments, I think we should go back a few years and remember the inception of the gasoline tax; the campaign promises and pledges by the politicians was that the gasoline tax was needed to provide roads for the motorists of the State of New Jersey. After a few years this fund began to grow. All of a sudden someone got the idea that there was too much money in the fund and it should be diverted to other purposes or for other purposes. This was done. Today we find ourselves with roads and bridges that are no more modern than we had back in the horse and buggy days. A road is built today and it is immediately outmoded upon completion. When a bridge is completed, it's outmoded.

So I say, if funds are voted for by the people or a provision for the funds, these monies should be used for a specific purpose. You will remember that the same question came up on the cigarette tax. I don't smoke cigarettes but nevertheless the tax was put through. I voted for it. I understood that the purpose of this tax was to provide funds for our schools. This fund has been diverted to other purposes. So again I say that if we are to have a provision or a means of securing money for veterans, to which they are entitled, this money should not be touched for any other purpose but for the veterans and veterans only.

I have been a resident of the City of Camden for 55 years. I have listened to many promises, some kept and some broken.

And, of course, I have gone through this series of listening to talks on the road tax, gasoline tax, cigarette tax, - today we are paying tolls on the Turnpike, a road that should have been provided out of gasoline taxes. These moneys have been constantly manipulated and used for purposes other than those for which they were specified. So I say again to you, and I speak for approximately 7300 members in South Jersey - many who gamble with their lives with trucks on our highways - and these people concur with me on providing a bonus for our veterans in at least having an opportunity to express their desire as to whether they want to have a lottery or some other means of raising it. So I say to you that I am in favor and my organization is in favor of putting before the public the opportunity to vote on the question of whether there should be a lottery or not. And again I say, in the same vein, our people are opposed to diversion of funds for any other purpose. If these moneys are to be raised for the veterans, let the veterans have it and no one else.

Thank you very kindly. (Applause)

ASSEMBLYMAN MELONI: I would like to call on Sergeant Ray Smith, Past Commander of Disabled Veterans of Foreign Wars and other titles too numerous to mention.

SGT. RAY SMITH: I am going to ask a favor of all my friends here - when you go home tonight and you get on your knees before Almighty God say a prayer that God gives strength to George Ewing to make him well again and able to fight for us. (Applause)

You know, Assemblyman Meloni, every veteran in this room

has a deep debt of gratitude toward you because we appreciate more than words can say just how far you have gone with this veteran bonus. But by the same token, the veterans are dying and being outnumbered by the guys who were too young for the first one and too old for the second one and if we don't get it on the ballot very shortly, we'll all be dead and it won't be necessary to pay a bonus. So, let's get it on the ballot quick.

Now, I remember distinctly the very efficient manner in which you handled this situation. It was my privilege several years ago to go up to Trenton with my friend, Frank Werner, and at time the man who held the position that you now hold was a man by the name of Elden Mills - he's a Republican and, of course, now he's a judge. Anyway, I asked Elden Mills, "Why don't you put Frank Werner's bill on the ballot?" And at that time it was number 96, or something like that, - so he said, "Well, Sergeant, in order to get it on the ballot it will be necessary for me to have a letter from the sponsor of the bill stating that he wants it on the ballot." I said, "Is that what you need, a letter?" He said, "Yes." So I went to Frank and I said, "Frank, have you got a letterhead?" And he said, "Yes." So I went out in my car and together we wrote a letter to Assemblyman Mills asking him to bring it out of Committee, but nothing ever happened.

Now, you have brought it out of Committee and I am grateful and I think every veteran here is grateful.

Of course, we haven't been fighting this bonus for very long. George Ewing and I were in Washington. We started at

Anacosta. We told the President there what we thought of him. And we didn't last long after that, did we, George? They put us out fast.

But, my friends, this is quite serious. A very serious problem, and we're getting nowhere fast. Down in Atlantic City they want gambling on the boardwalk and they get it, bingo. And I'm not here to speak against such a distinguished member of the Church as Rev. Jeanes, for whom I have a deep respect, but I can tell you right from my heart that if I thought that because I was here talking for a bonus God, tonight, would say, "We're going to send you to hell." I perhaps wouldn't be for the bonus. But I think that God is bigger than that. I don't think he's going to send me to hell just because I'm for the bonus. (Applause)

I firmly believe, my friends, that united we stand, divided we fall. That's the old saying that's on a dollar bill, they say, and I haven't seen a dollar bill for so darn long that I can't tell you truthfully. But the fact remains that we want this thing on the ballot. Let's get that decided on. We've got the guts to put it on the ballot, we're ready to let the people decide whether we should get a bonus or not. Is that true? (Applause) Then what is the church so afraid of? Why are they so afraid of it? Let's be fair about the thing. Get it on the ballot and let the people decide because after all, as I said, we're dying fast, we're being outnumbered, and what's going to happen? But with such fighters as Frank Meloni and Francis Werner and Bill Hyland and Joe Cowgill, they're fighting our fight, I'm convinced that we are going to get somewhere. And what is the next step? They said there was

going to be another hearing on this thing. Why can't we get it on the November ballot? Why don't we get it now on the November ballot? Why do we have to wait so doggone long? They didn't wait that long in Atlantic City to have it on the ballot whether they should have gambling on the boardwalk, they got it. Here we are represented by three capable members of the Assembly, a very efficient member of the Senate and yet we don't get it on the ballot until we have all these hearings.

Now, I'll tell you frankly I'm awful glad all you guys are out here tonight because after all it shows you that a lot of people read the Camden News, the Philadelphia Inquirer, the Courier Post and the Bulletin because, after all, we worked up in Trenton and I don't think there were enough there to pay expenses. I know there weren't enough there to pay the light bill. But the State paid it. We didn't have to worry about that. But by the same token we sit here and we talk, and we beef, and we do this and do that but we get nowhere. Now let's demand action. We can do it. What have we got here tonight? Maybe 50 guys. Isn't that pathetic to think that all these fellows want a bonus and they need it. And it would be a big lift to these kids who are buying new houses, who have the youngsters to take care of. It's quite necessary that they have additional money to pay the doctor bills, and they need money to pay for that mortgage when it comes. I know all about it. I'm not a plutocrat. I'm one of those guys - thank God today's was pay day.

But I want to say this to you, we are here tonight to give to our boys the understanding that we are for them but we

want the bonus and we want it now. We don't want to wait until 1965, 1968 or 1970. Let's get the bonus now. Let's get some action. And I demand that the Legislature do something about it now. (Applause)

ASSEMBLYMAN MELONI: I would like to call on Donald DeHaven, Commander, District 11, Veterans of Foreign Wars.

DONALD DeHAVEN: Mr. Chairman, fellow veterans, I am Commander of District 11, Burlington County, Veterans of Foreign Wars. I am definitely opposed to ACR-7 and my reasons for being opposed, as a representative from Burlington County, if I may quote, is the last statement in the referendum: "It is the purpose of this resolution, therefore, to provide authority by constitutional amendment, for State Lotteries dedicated to the support of public welfare, public roads, education, and for the payment of a veterans' bonus."

My question to the Committee, fellow veterans, is what guarantee will the veteran have of any moneys remaining after the State Welfare Commission, your road commission, and your educational institutions start dipping their hands into it?

I cannot see, through any possible influence at all, where this bill would possibly aid or assist any of our deserving veterans in this great state of ours. I am hereby concurring in the recommendations of my Assemblyman from Camden County and my fellow veterans of the Camden County Council and the Veterans of Foreign Wars to support a bill for a veterans' bonus and a veterans' bonus alone. In other words, ACR-1.

Thank you. (Applause)

ASSEMBLYMAN MELONI: Mr. DeHaven, there have been several speakers commenting on the language of the bill, relating to agencies, roads, etc. I might inform you that the sponsor of the bill wanted it that way. This Committee has no authority to change the language in the bill, until such time as they are determined as a result of the testimony that they would like to introduce a substitute bill, thereby changing the bill ACR-7. I just want you to know that this bill was sponsored in that fashion by Assemblyman Musto, this Committee is conducting hearings on ACR-7, and the testimony adduced at these hearings will be compiled and other evidence will be compiled and at that time, after a report is made to the entire Legislature, then the Committee will determine whether or not ACR-7, ACR-1, or any other bill in our Committee dealing with a veterans bonus shall be the bill reported out of committee.

I just thought I would make that clear.

We have another speaker, A. R. Luartes, Past Commander, Disabled American Veterans.

A. R. LUARTES: Chairman Meloni, distinguished guests, fellow veterans, ladies and gentlemen: First of all, I am Past Commander of the Disabled American War Veterans of Camden County and also a Legislative Officer of 705 VFW. I'm not representing either group. I am here in the interest of my three children who are veterans, one of whom is a veteran of World War II and the Korean War, and on behalf of my entire family.

Before coming here I canvassed it, to see how their feeling was toward this Concurrent Resolution No. 7, and they are

unanimous in that respect.

I am going to confine myself to the subject in question. The need for the veterans' bonus was adequately explained by the previous speakers and also by the author of the bill, Assemblyman Werner.

There is also an explanatory statement here for this Resolution. However, I would like to supplement the reasons for the introduction of this Resolution. For example, I used to reside in Burlington County and to our regret two of our children were born with weak eyes. They were sent by the County to the Burlington County Sight-Saving School. Is there such a school in Camden County? However, a recent development came to my attention or I experienced it, rather, that one of the children has had trouble with the school teacher. She's only a small girl. I asked her why the teacher didn't get along with her. However, she was, well you might say, expelled from the public school, and now her parents are paying \$800 a year to educate this child. We also have compulsory education.

Now, supposing that this parent doesn't have this money, what happens to this child? She grows up ignorant?

That is all for that subject of education.

Now, on a soldier's bonus. I have been fortunate in having children who were determined to have an education. The oldest one came back and of course he continued his studies and graduated from William & Mary and now he's a manager of one of the branches of the Minneapolis Honeywell. However, the second one, because he was drafted in both wars, the second and Korean War, he is now 29 and he still has to go another

year in college before he graduates. Just think what the soldier's bonus, what help it would have been for him to continue his studies.

Now, the third one spent one whole year in Drexel Institute by virtue of winning a scholarship in a competitive examination in the country. There were 130 entrants in New Jersey and only three of them passed. He was drafted and spent three years in the Korean conflict. He came back and he was all out of focus. It has taken him longer than what he thought. Now he has to go to work because I am a retired federal employee and I can't help him now and he hasn't the money to pay for his education so he has to go to work.

On the other hand, let's get back to ACR-7. Gambling in this country is something that no one can stop. In my many years in the postal service, because we had no legalized gambling, I have seen many dismissals from the government service because it is the government law that you are not allowed to gamble on federal property, - many, many dismissals because of that. Now since the approval of State racing in New Jersey, I have not heard of any dismissals at all because they have an outlet for their desire to gamble. If they want to gamble they go to the race track.

The only thing that I object to in this resolution is paragraph C. Of course, the previous speaker already objected to that emergency. If the committee would convey to the author of the resolution, me and my entire family would like to see this bill changed to read "for the purpose of

of financing education and veterans' bonus only ." I think that you would derive enough money from the state lottery to finance both, but not all of these that's listed in here.

Thank you, gentlemen. (Applause)

ASSEMBLYMAN MELONI: The secretary informs me that the purpose of inserting the word "emergencies" was to include veterans of the Korean Conflict.

MR. DeHAVEN: Mr. Chairman, if I might interrupt, President Eisenhower has declared the Korean Conflict a war. It was done several months ago so there is no reason for that.

ASSEMBLYMAN MELONI: I'm sure that we have the thinking of the sponsor of the Resolution. His definition of "emergencies" as I have already told you, pertains to the Korean Conflict.

MR. EWING: But can't that word be used for anything? You say "emergencies", suppose we have a flood or a big fire or something like that? There goes the bonus again.

MR. HANCE: We are still under a state of emergency.

ASSEMBLYMAN MELONI: I am inclined to agree that "emergencies" does cover a lot of territory. However, the Committee will take into consideration your views in opposition to the word "emergencies" and I am sure that some agreement can be reached with the sponsor of the measure to insert, so that there will be no doubt in anyone's mind, what we really mean, what the sponsor really means.

MR. EWING: We would like it to read "World War II and Korean Veterans," that's the way we would like the bill to read.

ASSEMBLYMAN WERNER: Gentlemen, I might add, the way this reads in Section C, "It shall be lawful for the Legislature to

authorize the conduct of state lotteries restricted to the selling of rightsfor 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."

Now, the purpose of any public hearing is, as the gentleman from Burlington pointed out, as George Ewing pointed out, if there are any words that are objectionable that's what the Committee is here for, to spell them out, so that when it is presented back to the Committee that there were objections to such words the words would be spelled out. That's why we call a public hearing.

MR. EWING: Ladies and gentlemen, I think it has been spelled out here tonight that we are in favor of ACR-1 - veterans first, last and always. (Applause)

ASSEMBLYMAN MELONI: Wait a minute. We have other speakers who have asked for the privilege of the floor. You gentlemen have spoken and I think we ought to give them consideration because it is getting late.

I have another name here, Charles E. Harrington, 2727 Federal Street, Camden. Is the gentleman here? Representing VFW 705. He's not here. Is there anyone else who desires the privilege of the floor. All right, Mr. Francesconi.

VALLI FRANCESCONI: Assemblyman Meloni, gentlemen: I'm here speaking as a citizen of Camden City. I have been reading about this proposed bill so that the people of New Jersey can vote on this question. I think the people of the State of New Jersey should be given the opportunity to vote to see whether or not we shall have a lottery. I think the people of

the State of New Jersey are suffering from an acute case of "taxitis". The people of the State of New Jersey are overburdened with taxes. I think that the tax situation in the State of New Jersey has reached a saturation point. And I think by putting this referendum on the ballot, giving the people the opportunity to vote for it to see whether or not we shall pay the bonus for the veterans - and speaking on the bonus, that has been talked about for many, many years and nothing has been done up to this point.

As far as the school purpose is concerned, I think that if the people vote for it that the tax burden upon the municipalities in every part of New Jersey will be lessened because the lottery will pay for some of the school expenses. Likewise, the roads and highways.

Therefore, I believe that the people should be given the opportunity to say whether or not we shall have a lottery to defray the expenses for the veterans' bonus, for the schools, for the highways and institutions. If that is done, if it is the will of the people of New Jersey that this bill be approved, I am sure that every municipality in our State will reap the benefits because, as I have said, the taxes have reached a saturation point in every nook and corner of this State. The taxpayer, the home owner, cannot pay any more taxes and I think that the State Legislature is on the right track by presenting this to the people and giving them the opportunity to decide whether or not they want to vote for the lottery.

Thank you very much. (Applause)

SGT. RAY SMITH: I would like to say that I think a number of my comrades are a little bit confused. There are two bills, I understand. One is the Musto bill and one is ACR-1 sponsored by Frank Werner. I was a little late getting here - did you read those bills before I came in? Do they know what these bills are all about?

ASSEMBLYMAN WERNER: They were discussed, Sergeant. I was the first speaker and I discussed them.

SGT. SMITH: Well, I concur with George Ewing and say that the people in this room are undoubtedly for the bill that provides only the veterans' bonus first, and that's Frank Werner's bill. (Applause)

ASSEMBLYMAN MELONI: Does anyone else wish to speak?

JOHN J. BARRETT: Mr. Chairman, my name is John J. Barrett and I live at 518 North Second Street, Camden, New Jersey. I am speaking as an individual fellow veteran.

In reference to this money for institutions and highways, last Sunday we were down to a picnic in Pemberton, if you recall, when the Governor of the State of New Jersey made a statement on the stage that all surplus money of the Turnpike, which will be \$70 million, will be appropriated for schools and education throughout the State of New Jersey. Now where will this money be taken from this Veterans' lottery and give them so much more money on top of what they are going to receive from the State Turnpike surplus money? There shouldn't be any reason to give them any money out of the state lottery.

ASSEMBLYMAN WERNER: I would certainly like to answer you

but that question is not on the bill.

MR. BARRETT: Are there going to be two questions on the ballot, taking the surplus money of the Turnpike --

ASSEMBLYMAN MELONI: Mr. Barrett, this Committee is here to hear testimony on ACR-7. You have a right to speak for or against this Resolution. We are here to compile information.

MR. BARRETT: I see. Well I was just asking about this Turnpike money, this surplus money, which he stated --

ASSEMBLYMAN MELONI: That is not within the purview of this hearing.

ASSEMBLYMAN WERNER: That's something else again. That will be on the ballot. This we are trying to put on the ballot.

ASSEMBLYMAN MELONI: Does anyone else wish the privilege of the floor?

Well, ladies and gentlemen, I want to thank the audience for the manner in which they conducted themselves and I want to also thank the speakers who have presented their views here to the Committee. I can assure you that after the public hearings are concluded the members of the Public Safety, Defense and Veterans Affairs Committee will have the information compiled and the record will be typed so that each member of the Legislature will receive a copy and know what went on at the different public hearings.

I can assure you that this Committee is anxious to do something about the question before us. I can say this, individually, that there is growing sentiment for the raising of revenue for the purposes outlined in this Resolution so long as it does not add additional burden upon the taxpayer.

These views, as I said, will be brought to the attention of all members of the Legislature and after all the testimony has been gathered the Committee will meet and determine whether or not ACR-7, ACR-1, or the other bills dealing with this problem shall be the bill reported out of Committee or the possibility of a substitute resolution being reported out of Committee. You will probably know the results of the Committee in due time.

Again I want to thank you on behalf of the Committee.

MR. EWING: Will that be next year or the year after?

ASSEMBLYMAN MELONI: Well, the Legislature has recessed until November 16th or 23d and, therefore, it would be impossible to put this matter on the ballot this year.

MR. LUARTES: Well, will this be the final bill?

ASSEMBLYMAN MELONI: That will be up to the Committee to decide.

MR. LUARTES: I just want to be on record as approving this appearing on the referendum with certain amendments.

MR. GIFFORD: Assemblyman Werner, I just want to, on behalf of the veterans in our Organization, thank you and your Committee for coming into Camden County and allowing us to express our views and I feel that the veterans here in the hall tonight have the same feeling. We certainly do appreciate it.

ASSEMBLYMAN MELONI: Thank you. The hearing is adjourned.

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