LOTTERIES

Ever since the beginning of the Republic, there has been a recurring interest in lotteries as a means of raising revenues. In that season of every year when Congress is engaged in drafting a new tax bill and finds it difficult to locate new sources of revenue, the lottery interest repeatedly manifests itself and it comes to the attention of the members of the Legislative Body by means of suggestions contained in letters and by articles which appear from time to time in the public press. It was, therefore, not so strange that the proposal for a national lottery as a means of raising revenue should again be advanced in connection with the consideration of the Revenue Act of 1942.

A LOTTERY STUDENT

Some years ago there served in Congress a very able lawyer from New Jersey by the name of Edward A. Kenney who over the years became a student of lotteries. He assembled a very considerable library on the subject as well as a collection of lottery tickets from every country in the world where a lottery was in operation. Representative Kenney explored the early history of this country to determine the extent of lottery operations and public reaction thereto, and on frequent occasions addressed the House on this subject whenever some measure was pending which involved the expenditure of money or the raising of revenue. At long last he introduced a bill to authorize the Veterans Administration to conduct a lottery for the purpose of raising not to exceed the sum of one billion dollars to be used in the payment of veteran benefits. No hearings were ever held on the bill. Mr. Kenney meanwhile put a terrible and accidental death and no lottery speeches have since then been made on the Floor of the House.

LOTTERY HISTORY

Mr. Kenney’s research in the history of lotteries brought up some rather interesting items. He pointed out that in the year 1789 when Congress first met in New York City and had no regular hall in which to meet, the State Legislature of the State of New York enacted the law authorizing New York City to conduct a public lottery for the purpose of raising approximately $65,000 to defray the cost of repairing the City Hall of the City of New York to make it convenient and suitable for meetings of the National Congress. Mr. Kenney also produced written showing that in the year 1772 the minutes of the meetings of the Council and Assembly for the Colony of New Jersey recorded the passage of a bill by that Body “to enable certain persons to erect and draw a lottery for raising the sum of 1,050 pounds to be applied for the purpose therein mentioned”. The Governor of New Jersey in that year observed in his message to a representative of the British Crown that the purpose of the lottery was to defray expenses in connection with the building of a road that would be beneficial to the people who were residents in the northeast part of the Colony of New Jersey as well as to the City of New York. As early as January 9, 1764 the New York Mercury, which was a prominent newspaper at that time, carried a new item to the effect that the Legislature of the Colony of New Jersey had authorized the College of New Jersey to install a lottery for the purpose of raising $15,000 therewith to provide educational facilities. On May 11, 1772 the New York Gazette announced that a lottery had been authorized to raise the sum of $25,000 for the use in the construction of certain necessary bridges and for road repair work to the City of Albany. On May 22, 1773 the New Jersey archives, which was quite a prominent newspaper, announced a lottery for the raising the sum of $15,000 to clear and deepen the channel and creek

THE CONGRESSIONAL FRONT

BY CONGRESSMAN EVERETT H. DIRKES
16th ILLINOIS DISTRICT

8-8-4-2
at Elizabethtown, New Jersey. In 1822 it appears from existing records that the Congress of that year authorized a lottery to provide funds for the building of two public schoolhouses, a penitentiary and a town hall in the City of Washington in the District of Columbia. It appears from a summary of the early records of the country that hundreds of lotteries were conducted for all sorts of purposes and somehow the idea has persisted since that time. It is, therefore, interesting that year after year with the consideration of each new revenue measure that a lottery should be suggested as the easy and painless way to provide a large yield of funds for the conduct of the business of government and for the purpose of meeting Federal obligations.

PRESENT LAW

As early as 1876 when land lotteries flourished in certain sections of the country, Congress provided legislation which made it unlawful to use the mails for sending any kind of card, ticket, package, circular, or advertisement through the mails which offered a prize by means of a lottery or similar scheme. On numerous occasions since that time the law has been strengthened by amendment and lotteries are today definitely elided in the United States, Alaska and Hawaii. In 1934 when Congress enacted the Federal Communications Act, it therein prohibited the broadcasting of any advertisement or information concerning lotteries or similar enterprises and provided a fine of $1,000 or one year in prison or both for a violation thereof.

In the Internal Revenue Code Congress also provided that no packages of manufactured tobacco or snuff should have printed thereon or attached thereto or packed therein any brand, mark, stamp or certificate which represented a chance in a lottery. Notwithstanding these restrictions of present law lottery proposals continue to be made and one may assume that they will continue so long as the lure of something for nothing persists.