

**The original documents are located in Box 67, folder “10/17/76 HR1607 Newspaper Advertisements of State-operated Lotteries” of the White House Records Office:
Legislation Case Files at the Gerald R. Ford Presidential Library**

Copyright Notice

The copyright law of the United States (Title 17, United States Code) governs the making of photocopies or other reproductions of copyrighted material. Gerald R. Ford donated to the United States of America his copyrights in all of his unpublished writings in National Archives collections. Works prepared by U.S. Government employees as part of their official duties are in the public domain. The copyrights to materials written by other individuals or organizations are presumed to remain with them. If you think any of the information displayed in the PDF is subject to a valid copyright claim, please contact the Gerald R. Ford Presidential Library.

Exact duplicates within this folder were not digitized.

APPROVED
OCT 17 1976

8/10/17/116

THE WHITE HOUSE
WASHINGTON
October 14, 1976

ACTION

Last Day: October 18

MEMORANDUM FOR THE PRESIDENT
FROM: JIM CANNON *J. Cannon*
SUBJECT: H.R. 1607 - Newspaper advertisements of
State-operated lotteries

Attached for your consideration is H.R. 1607, sponsored by Representative Findley.

The enrolled bill would permit a State-conducted lottery to advertise in newspapers published in adjacent States which conduct lotteries and would permit the mailing of general circulation newspapers which contain lottery advertising and information.

Additional information is provided in OMB's enrolled bill report at Tab A.

OMB, Max Friedersdorf, Counsel's Office (Kilberg) and I recommend approval of the enrolled bill.

RECOMMENDATION

That you sign H.R. 1607 at Tab B.



OCT 17 1976



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

OCT 12 1976

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 1607 - Newspaper advertisements
of State-operated lotteries
Sponsor - Rep. Findley (R) Illinois

Last Day for Action

October 18, 1976 - Monday

Purpose

To permit a State-conducted lottery to advertise in newspapers published in adjacent States which conduct lotteries; and to permit the mailing of general circulation newspapers which contain lottery advertising and information.

Agency Recommendations

Office of Management and Budget	Approval
Department of Justice	No objection
Department of Commerce	No objection
United States Postal Service	No objection(Informally)

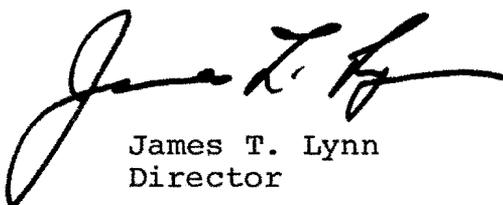
Discussion

Current law permits radio and television stations licensed by a State which conducts a lottery, to advertise or broadcast information concerning that lottery, as well as broadcast advertising and information concerning a lottery conducted by an adjacent State. However, newspapers may only publish information concerning a lottery conducted in the State in which the newspaper is published; in addition, publications containing lottery information cannot be distributed to another State, regardless of whether or not the other State conducts a lottery. The purpose of these restrictions is to provide Federal protection to those States which have determined that lotteries are not in the best moral interests of their citizens.

H.R. 1607 would remedy the lack of uniformity between the restrictions on advertising lotteries through radio or television broadcasts and those dealing with newspapers. In this regard, the enrolled bill would:

- permit State conducted lotteries to advertise in newspapers published in adjacent States which operate lotteries; and
- permit the mailing of general circulation newspapers containing lottery advertisements or information.

The provisions in the enrolled bill would only apply to States which conduct lotteries and are not intended to either erode the rights of States to prohibit the conduct of lotteries or change the present prohibition against subscribing to out of State lotteries.



James T. Lynn
Director

Enclosures

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 18

Date: October 12

Time: 800pm

FOR ACTION: Dick Parsons *ok*
Max Friedersdorf *ok* cc (for information):
Bobbie Kilberg *ok*
Paul Leach *ok*

Jack Marsh
Ed Schmults
Steve McConahy *defc*

FROM THE STAFF SECRETARY

DUE: Date: October 13

Time: 530pm

SUBJECT:

H.R. 1607-Newspaper advertisements of State-operated lotteries

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President

Department of Justice
Washington, D. C. 20530

October 6, 1976

Honorable James T. Lynn
Director, Office of Management
and Budget
Washington, D. C. 20503

Dear Mr. Lynn:

In compliance with your request, we have examined a facsimile of the enrolled bill H.R. 1607, "To amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television."

The caption of the bill accurately describes its purpose. Presently, state-operated lotteries may advertise in newspapers published within their state of operation, but may advertise by radio and television not only by way of stations licensed within the state of operation, but also on stations licensed in adjoining states if those states also operate a lottery.

This legislation would simply cure this dual treatment by allowing such lotteries to advertise in newspapers published in adjacent states which operate lotteries. The Department of Justice has no objection to Executive approval of this bill.

Sincerely,



Michael M. Uhlmann
Assistant Attorney General



**GENERAL COUNSEL OF THE
UNITED STATES DEPARTMENT OF COMMERCE**
Washington, D.C. 20230

OCT 7 1976

Honorable James T. Lynn
Director, Office of Management
and Budget
Washington, D. C. 20503

Attention: Assistant Director for Legislative Reference

Dear Mr. Lynn:

This is in reply to your request for the views of this Department concerning H. R. 1607, an enrolled enactment

"To amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television."

Under present law, newspapers may publish information concerning a state-run lottery only if the lottery is conducted in a state in which the newspaper is published. Radio and television broadcasts are permitted concerning state-run lotteries where the station is licensed to an area in the state running the lottery. However, unlike newspapers, radio and television stations may also broadcast such information in adjacent states so long as the state of the area to which the station is licensed also conducts lotteries.

The purpose of the restrictions in law is to let states make the decision whether lotteries are to be operated and promoted in the state. H. R. 1607 would not alter that policy.

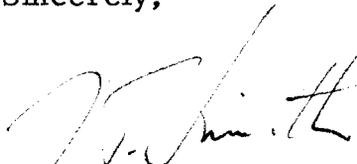
The purpose of the enrolled bill is to subject newspapers and radio and television stations to the same restrictions, eliminating the present inequity. H. R. 1607 would permit newspapers to publish information concerning state-run lotteries in states adjacent to the state in which the newspaper is published so long as the state of publication also conducts such lotteries.



The Department of Commerce would have no objection to approval by the President of H.R. 1607.

Enactment of the enrolled bill would involve no expenditure of funds by this Department.

Sincerely,



General Counsel

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 8

Date: October 12

Time: 800pm

FOR ACTION: Dick Parsons
Max Friedersdorf
Bobbie Kilberg
Paul Leach

cc (for information): Jack Marsh
Ed Schmults
Steve McConahey

FROM THE STAFF SECRETARY

DUE: Date: October 13

Time: 530pm

SUBJECT:

H.R.1607-Newspaper advertisements of State-operated lotteries

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

*No objection
K Lazarus 10/13*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon
For the President

Date: October 12

Time: 800pm

FOR ACTION: Dick Parsons ✓
Max Friedersdorf
Bobbie Kilberg
Paul Leach

cc (for information): Jack Marsh
Ed Schmults
Steve McConahey

FROM THE STAFF SECRETARY

DUE: Date: October 13

Time: 530pm

SUBJECT:

H.R.1607-Newspaper advertisements of State-operated lotteries

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

Approve. [Signature]

please return to judy johnston, ground floor west wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 8

Date: October 12

Time: 800pm

FOR ACTION: Dick Parsons
Max Friedersdorf
Bobbie Kilberg
Paul Leach

cc (for information): Jack Marsh
Ed Schmults
Steve McConahey

FROM THE STAFF SECRETARY

DUE: Date: October 13

Time: 530pm

SUBJECT:

H.R.1607-Newspaper advertisements of State-operated lotteries

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

*Recommend Approval
meij*

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon
For the President

Date: October 12

Time: 800pm

FOR ACTION: Dick Parsons
Max Friedersdorf
Bobbie Kilberg
Paul Leach ✓

cc (for information): Jack Marsh
Ed Schmults
Steve McConahey

FROM THE STAFF SECRETARY

DUE: Date: October 13

Time: 530pm

SUBJECT:

H.R.1607-Newspaper advertisements of State-operated lotteries

ACTION REQUESTED:

For Necessary Action

For Your Recommendations

Prepare Agenda and Brief

Draft Reply

For Your Comments

Draft Remarks

REMARKS:

please return to judy johnston, ground floor west wing

DK. PCL 10/13/76

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

James M. Cannon
For the President

AMENDING TITLE 18 OF THE UNITED STATES CODE TO MAKE PARALLEL THE EXEMPTION FROM LOTTERY PROHIBITIONS GRANTED TO NEWSPAPERS AND TO RADIO AND TELEVISION

MAY 21, 1975.—Ordered to be printed

Mr. PATTISON, from the Committee on the Judiciary,
submitted the following

REPORT

[To accompany H.R. 1607]

The Committee on the Judiciary, to whom was referred the bill (H.R. 1607) to amend title 18 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

The amendments are as follows: After line 5, add the following:

- SEC. 2. The first sentence of subsection (d) of section 3005 of title 39, United States Code, is amended by striking the words:

“a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law,”

and inserting the words,

“a newspaper of general circulation containing advertisements, lists of prizes, or information concerning a lottery conducted by a State acting under authority of State law, published in that State, or in an adjacent State which conducts such a lottery,”

in lieu thereof.

Amend the title to read:

To amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television.

PURPOSE

The purpose of the proposed legislation, as amended, is to amend section 1307 (a) (1) of Title 18, and subsection (d) of section 3005 of Title 39 by changing the present exemption permitting lottery advertisements and information concerning a State lottery to be carried by a newspaper in that particular State by adding the words "or in an adjacent State which conducts such a lottery".

STATEMENT

The Department of Justice in a report to the committee on the bill states that it has no objection to its enactment. In its report, the Postal Service stated it had no objection to the bill with an equivalent amendment to subsection (d) of section 3005 of Title 39, United States Code, in the form recommended by the committee in this report.

The amendments in this bill would provide an equivalent exemption for lottery information carried by newspapers to that presently provided radio and television broadcasts.

The exemption relating to newspapers presently in the law was added by Public Law 93-583 as approved January 2, 1975. The new law added section 1307 to Title 18 and subsection (a) of new section 1307 concerns newspapers and radio and television broadcasts and provides that sections 1301, 1302, 1303 and 1304 do not apply to an advertisement, list of prizes, or information concerning a lottery conducted by a State acting under the authority of State law contained in (1) a newspaper published in that State or (2) broadcast by a radio or television licensed to a location in that State or in an adjacent State which conducts such a lottery. Section 1301 covers the importation or transportation of lottery tickets, section 1302 concerns the mailing of lottery tickets or related matter, section 1303 bars officers or employees of the Postal Service from knowingly sending or delivering material relating to a lottery or acting as the agent for any lottery, and section 1304 concerns the broadcasting of advertisements or information concerning a lottery.

Public Law 93-583 also added a new subsection (d) to section 3005 of Title 39, the title concerning the Postal Service. Section 3005 contains explicit provisions concerning the handling of mail which relate to the conduct of a lottery. New subsection (d) contains provisions concerning mailings which are parallel to those contained in subsection (a) of section 1307 of title 18. Accordingly, subsection (d) of section 3005 of title 39 provides that the provisions of the section will not prohibit the mailing of:

- (1) A newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that state acting under authority of State law, . . .

The amendment recommended by the Postal Service in its report on the present bill would, in effect, provide for the same amendment to subsection (d) of section 3005 of title 39 as would be made to section 1307 (a) (1) of title 18 so that in both cases the law would refer to

"an adjacent State which conducts such a lottery". As has been stated, the committee amendment contains the language recommended by the Postal Service. In this connection it should be noted that since the amendment concerns title 39, the Postal title of the United States Code, the committee inquired of the Chairman of the Committee on Post Office and Civil Service as to whether there would be any objection to this amendment of the bill in this manner by the Committee on the Judiciary. In reply the Honorable David N. Henderson, Chairman of the Committee on Post Office and Civil Service, stated that there was no objection to the amendment. That letter is set out at the end of this report.

The changes provided for in the current bill would merely make a similar exception available to newspapers in adjacent States which also conduct state lotteries as that now provided to radio and television stations. As was stated in the Justice Department report on this bill, newspapers published in states which do not have such lotteries would still be subject to present statutory limits. That is statutory provisions barring lottery advertising or lottery information in newspapers published in non-lottery states remain in effect. In other words, there is no exemption from the otherwise applicable provisions of title 18 concerning lotteries. The Justice Department's report pointed out that the provisions of this bill are consistent with the Department's position as to state-conducted lotteries. It stated:

This Department's position relating to state-conducted lotteries has always been to object to any erosion of Federal protection to those states which have determined that lotteries are not in the best interests of their citizens. This proposed legislation applies only to states which conduct lotteries and does not upset the balance created by the present 18 U.S.C. 1307.

CONCLUSION

The Committee agrees that the amendments provided by the amended bill are consistent with the purpose of the recently enacted law and particularly with the existing provisions defining the exemption to be accorded radio and television broadcasting. Accordingly, it is recommended that the amended bill be considered favorably,

COMMITTEE VOTE

On May 21, 1975, the Full Committee on the Judiciary approved the bill H.R. 1607 by voice vote.

COST

(Rule XIII (7) (a) (1) of the House Rules)

The amendments relating to newspapers to Titles 18 and 39 of the United States Code provided for in the bill concern law enforcement activity under title 18 and the regulation of the mails under title 39. It is not possible to predict what impact or changes these provisions will have in terms of cost to the Government.

STATEMENTS UNDER CLAUSE 2(1) (3), AND CLAUSE 2(1) (4) OF RULE XI
OF THE RULES OF THE HOUSE OF REPRESENTATIVES

A—OVERSIGHT STATEMENT

This report embodies the findings and recommendations of the Subcommittee on Administrative Law and Governmental Relations pursuant to its oversight responsibility over the enforcement and administrative law concerning lotteries under Rule VI(b) of the Rules of the Committee on the Judiciary, and the committee determined that legislation should be enacted as set forth in the amended bill.

B—BUDGET STATEMENT

Clause 2(1) (3) (B) of Rule XI is not yet applicable because as is stated in the report of the Committee on the Budget (House Rept. No. 94-25, 94th Cong., 1st Sess.) section 308(a) of the Congressional Budget Act of 1974 will not be implemented during the current session.

C—ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

No estimate or comparison was received from the Director of the Congressional Budget Office as referred to in subdivision (C) of clause 2(1) (3) of House Rule XI.

D—OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE ON
GOVERNMENT OPERATIONS

No findings or recommendations of the Committee on Government Operations were received as referred to in subdivision (D) of clause 2(1) (3) of House Rule XI.

INFLATIONARY IMPACT

In compliance with clause 2(1) (4) of House Rule XI it is stated that this legislation will have no inflationary impact on prices and costs in the operation of the national economy.

CHANGES IN EXISTING LAW

In compliance with paragraph 2 of clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

SECTION 1307 OF TITLE 18, UNITED STATES CODE

§ 1307. State-conducted lotteries.

(a) The provisions of sections 1301, 1302, 1303, and 1304 shall not apply to an advertisement, list of prizes, or information concerning a lottery conducted by a State acting under the authority of State law—

(1) contained in a newspaper published in that State or in an adjacent State which conducts such a lottery, or

(2) broadcast by a radio or television station licensed to a location in that State or an adjacent State which conducts such a lottery.

(b) The provisions of sections 1301, 1302, and 1303 shall not apply to the transportation or mailing to addresses within a State of tickets and other material concerning a lottery conducted by that State acting under authority of State law.

(c) For the purposes of this section "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(d) For the purposes of this section "lottery" means the pooling of proceeds derived from the sale of tickets or chances and allotting those proceeds or parts thereof by chance to one or more chance takers or ticket purchasers. "Lottery" does not include the placing or accepting of bets or wagers on sporting events or contests.

SUBSECTION (d) OF SECTION 3005 OF TITLE 39, UNITED STATES CODE

(d) Nothing in this section shall prohibit the mailing of (1) [a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law,] *a newspaper of general circulation containing advertisements, lists of prizes, or information concerning a lottery conducted by a State acting under the authority of State law, published in that State, or in an adjacent State which conducts such a lottery,* or (2) tickets or other materials concerning such a lottery within that State to addresses within that State. For the purposes of this subsection, "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

DEPARTMENT OF JUSTICE,
Washington, D.C., April 25, 1975.

HON. PETER W. RODINO, JR.,
Chairman, Committee on the Judiciary, House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice on H.R. 1607, a bill "To amend title 18 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television."

H.R. 1607 would amend recently enacted 18 U.S.C. 1307, (P.L. 93-583) so as to permit advertising of state-sanctioned lotteries in newspapers published in states adjacent to the lottery when such states also conduct lotteries. The bill would not affect the present prohibition against subscription to out of state lotteries. Further, advertising would still be prohibited in states which do not sanction lotteries.

This Department's position relating to state-conducted lotteries has always been to object to any erosion of Federal protection to those states which have determined that lotteries are not in the best interests of their citizens. This proposed legislation applies only to states which

conduct lotteries and does not upset the balance created by the present 18 U.S.C. 1307.

Therefore, the Department of Justice has no objection to the enactment of H.R. 1607.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the Administration's program.

Sincerely,

A. MITCHELL McCONNELL, Jr.,
Acting Assistant Attorney General.

—
LAW DEPARTMENT,
Washington, D.C., April 25, 1975.

HON. PETER W. RODINO, Jr.,
Chairman, Committee on the Judiciary, House of Representatives,
Washington, D.C.

DEAR MR. CHAIRMAN: This responds to your request for the views of the Postal Service on H.R. 1607, a bill "to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television." At present, 18 U.S.C. § 1307(a)(2), enacted by Pub. L. No. 93-583, § 1 (Jan. 2, 1975), exempts from the anti-lottery provisions of title 18 information concerning a State lottery which is "broadcast by a radio or television station licensed to a location in that State or an adjacent State which conducts such a lottery." A narrower exemption is provided in 18 U.S.C. § 1307(a)(1), which pertains only to State lottery information "contained in a newspaper published in that State." H.R. 1607 would broaden the exemption in § 1307(a)(1) to apply to State lottery information "contained in a newspaper published in that State or in an adjacent State which conducts such a lottery" (emphasis added), thus making parallel the exemption from lottery prohibitions granted newspapers and radio and television stations.

We suggest that H.R. 1607 will be unsuccessful in obtaining its objectives unless it contains a conforming amendment to 39 U.S.C. § 3005(d)(1), dealing with the mailability of newspapers containing lottery information. Currently, § 3005(d)(1), like present 18 U.S.C. § 1307(a)(1), exempts only a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law.

In our estimation, the purposes of H.R. 1607 would be achieved by rewording the exemption of 39 U.S.C. § 3005(d)(1) to apply to: A newspaper of general circulation containing advertisements, lists of prizes, or information concerning a lottery conducted by a State acting under authority of State law, published in that State, or in an adjacent State which conducts such a lottery.

Although the merits of this proposal turn upon political judgments in the area of Federal-State relations upon which the Postal Service expresses no view, from a practical postal standpoint we do not object to the enactment of H.R. 1607 if amended as we suggest.

Sincerely,

W. ALLEN SANDERS,
Assistant General Counsel,
Legislative Division.

H.R. 236

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON POST OFFICE AND CIVIL SERVICE,
Washington, D.C., May 20, 1975.

HON. PETER W. RODINO, Jr.,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for inviting my views on an amendment to the provisions of title 39, United States Code, which is being considered by your Committee in connection with H.R. 1607.

This legislation will provide equivalent exemptions for lottery information carried by newspapers to that presently provided radio and television broadcasts. The amendment, recommended by the Postal Service, will include parallel provisions in subsection (d)(1) of section 3005 of title 39, United States Code.

I understand that subsection (d) was added to title 39 by a bill (H.R. 6668) which was initiated and handled by your Committee during the 93d Congress. During the consideration of that bill, we advised that we would not interpose any objection to the Committee on Judiciary handling the parallel amendments to both title 18 and title 39.

I wish to advise you now that I would have no objection whatever to your Committee handling the parallel perfecting amendments to the same sections, as indicated in your letter to me.

With kindest regards, I am
Sincerely yours,

DAVID N. HENDERSON,
Chairman.

AMENDING TITLE 18 AND TITLE 39 OF THE UNITED STATES CODE TO
MAKE PARALLEL THE EXEMPTION FROM LOTTERY PROHIBITIONS
GRANTED TO NEWSPAPERS AND RADIO AND TELEVISION

FEBRUARY 2, 1976.—Ordered to be printed

Mr. McCLELLAN, from the Committee on the Judiciary,
submitted the following

REPORT

[To accompany H.R. 1607]

The Committee on the Judiciary, to which was referred the act (H.R. 1607) to amend title 18 and title 39 of the United States Code to make the exemption from lottery prohibitions granted to newspapers parallel to the exemption presently granted to radio and television, having considered the same, reports favorably thereon without amendment and recommends that the act do pass.

PURPOSE OF THE ACT

H.R. 1607 would amend section 1307 of title 18 and subsection (d) of section 3005 of title 39 of the United States Code by amending the present exemption permitting a newspaper published in a State with a State-conducted lottery to contain lottery information concerning that State's lottery so as to permit, in addition, a newspaper published in an adjacent State to carry such lottery information, provided the adjacent State also had a State-conducted lottery. This would provide an exemption for newspapers with the same scope as that now applied to radio and television stations.

STATEMENT

Public Law 93-583, approved January 2, 1975, amended certain provisions in title 18 and title 39 of the United States Code to permit radio and television stations licensed to a location in a State having a State-authorized and State-conducted lottery, or in an adjacent State which conducts such a lottery, to carry certain information concerning those States' lotteries. The same public law limited the comparable exemption for publication of information regarding a particular State-

conducted lottery to newspapers published in the State of that lottery. In a number of instances, this creates problems for newspapers that service metropolitan areas which overlap or are in close proximity to State borders without furthering the Federal policy of simply protecting policy of nonlottery States. For example, where all States involved have State-conducted lotteries.

The reported act, H.R. 1607, would solve this problem in the same limited manner presently applicable to radio and television stations by expanding the present newspaper exemption to permit a newspaper published in a State which has State-authorized lottery to carry information concerning a State-authorized lottery in an adjacent State. Newspapers published in States which do not have State-authorized lotteries would still be subject to the present statutory provisions barring lottery advertising or dissemination of lottery information in a newspaper.

AGENCY REPORTS

The Department of Justice in its report on H.R. 1607 stated that it has no objection to its enactment. The committee, in reporting this act, endorses the Department's statement regarding State-conducted lotteries, as follows:

This Department's position relating to State-conducted lotteries has always been to object to any erosion of Federal protection to those States which have determined that lotteries are not in the best interests of their citizens. This proposed legislation applies only to States which conduct lotteries and does not upset the balance created by the present law.

The Postal Service advised the chairman of the House Committee on the Judiciary that the Postal Service did not object to the enactment of H.R. 1607 with their suggested amendment, which the House Committee adopted.

DEPARTMENT OF JUSTICE,
September 18, 1975.

HON. JAMES O. EASTLAND,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: This is in response to your request for the views of the Department of Justice on H.R. 1607, an act "To amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television."

H.R. 1607 would amend recently enacted Public Law 93-583 so as to permit advertising of State-sanctioned lotteries in newspapers published in States adjacent to the lottery when such States also conduct lotteries. The bill would not affect the present prohibition against subscription to out of State lotteries. Further, advertising would still be prohibited in States which do not sanction lotteries.

This Department's position relating to State-conducted lotteries has always been to object to any erosion of Federal protection to those States which have determined that lotteries are not in the best interests of their citizens. This proposed legislation applies only to States which conduct lotteries and does not upset the balance created by the present law.

Therefore, the Department of Justice has no objection to the enactment of H.R. 1607.

The Office of Management and Budget has advised that there is no objection to the submission of this report from the standpoint of the administration's program.

Sincerely,

MICHAEL M. UHLMANN.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the act, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, and existing law in which no change is proposed is shown in roman):

TITLE 18, UNITED STATES CODE—CRIMES AND CRIMINAL PROCEDURE

§ 1307. State-conducted lotteries

(a) The provisions of sections 1301, 1302, 1303, and 1304 shall not apply to an advertisement, list of prizes, or information concerning a lottery conducted by a State acting under the authority of State law—

(1) contained in a newspaper published in that State *or in an adjacent State which conducts such a lottery*, or

(2) broadcast by a radio or television station licensed to a location in that State or an adjacent State which conducts such a lottery.

(b) The provision of 1301, 1302, and 1303 shall not apply to the transportation or mailing to addresses within a State of tickets and other material concerning a lottery conducted by that State acting under authority of State law.

(c) For the purposes of this section "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, or any territory or possession of the United States.

(d) For the purposes of this section "lottery" means the pooling of proceeds derived from the sale of tickets or chances and allotting those proceeds or parts thereof by chance to one or more chance takers or ticket purchasers. "Lottery" does not include the placing or accepting of bets or wagers on sporting events or contests.

TITLE 39, UNITED STATES—POSTAL SERVICE

§ 3005. False representations; lotteries

(d) Nothing in this section shall prohibit the mailing of (1) [a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law.] *a newspaper of general circulation containing advertisements, lists of prizes, or information concerning a lottery conducted by a State acting under the authority of State law, published in that State, or in an adjacent State which conducts such a lottery*, or (2) tickets or other materials concerning such a lottery within that State to addresses within the State. For

the purpose of this subsection, "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

CONCLUSIONS

The Committee believes that the proposed legislation would carry out the intent of the Congress in enacting Public Law 93-583 in that the Federal Government should not allow its laws to impede or prevent the lawfully authorized efforts of a State to raise revenues and benefits its own citizens.

○

Ninety-fourth Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the nineteenth day of January,
one thousand nine hundred and seventy-six*

An Act

To amend title 18 and title 39 of the United States Code to make parallel the exemption from lottery prohibitions granted to newspapers and to radio and television.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1307 (a) (1) of title 18 of the United States Code is amended by inserting "or in an adjacent State which conducts such a lottery" immediately after "State".

SEC. 2. The first sentence of subsection (d) of section 3005 of title 39, United States Code, is amended by striking the words "a newspaper of general circulation published in a State containing advertisements, lists of prizes, or information concerning a lottery conducted by that State acting under authority of State law," and inserting the words, "a newspaper of general circulation containing advertisements, lists of prizes, or information concerning a lottery conducted by a State acting under authority of State law, published in that State, or in an adjacent State which conducts such a lottery," in lieu thereof.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*