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Statewide Referendum 1976: State Lottery

Background: In February 1779 the state prohibited lotteries without "special liberty from the general assembly." Such special liberties were frequently granted in response to petitions from citizens seeking to raise funds for everything from bridges to breweries. By 1804 this practice ended. In 1826 the legislature also prohibited the sale of lottery tickets from other states.

Issue: As the range and costs of government services expanded, new funding sources were sought. The early 1970s brought declining state revenues, gas shortages, and other economic disruptions. State lotteries were becoming an attractive revenue source since they did not generate the same negative reaction associated with new or increased taxes (see also the 1960 referendum on pari-mutuel betting).

Referendum: Act 252 of 1976, approved April 7th, called for an advisory referendum on the question, "Shall the General Assembly consider enactment of a Vermont lottery to supplement state revenues?"

On November 2, 1976 the question passed by a 77,554 vote margin, 127,001 to 49,447.

Result: On April 27, 1977 the General Assembly approved a



statewide lottery "to produce the maximum amount of net revenue consonant with the dignity of the state and the general welfare of the people." The margin of victory made the measure veto proof, an important consideration given that the new governor, Richard Snelling, had long opposed state sponsored gambling (he had been an opponent of the pari-mutuel betting bill). The promised revenue was not as high as anticipated and in 1985 the tri-state lottery was approved.