



## **Matt Haverstick, Kleinbard LLC**

Thank you, Paul, and good morning, Chairman Gebhard, Chairman Williams and the members of the committee. As Paul said, my name is Matt Haverstick, from Kleinbard LLC, and I serve as lead counsel for Pace-O-Matic in Pennsylvania.

I want to briefly address where we are with our litigation in Pennsylvania as it relates to the legality of Pennsylvania Skill games. To be direct, Pennsylvania Skill games are 100% legal.

I have litigated the legality of these games in several county courts of common pleas around the Commonwealth and every court has found the same thing: Pace-O-Matic's Pennsylvania Skill games are legal.

To date, we have court rulings in Beaver, Dauphin, Monroe, and York counties. We have negotiated court orders with prosecutors in Blair, Clearfield, Delaware, and Luzerne resulting in the return of the games. After receiving positive court rulings in Dauphin and Monroe counties, prosecutors elsewhere have failed to produce a witness who can credibly testify that the Pennsylvania Skill game is an illegal gambling device.

Appeals of the Dauphin and Monroe County decisions are currently before the Commonwealth Court. The arguments for both cases will be heard on October 11<sup>th</sup> in Pittsburgh before the entire Commonwealth Court. We feel confident that we will prevail there too.

As you may recall, Pace-O-Matic originally filed separate petitions in the Pennsylvania Commonwealth Court against the Bureau of Liquor Enforcement and the Department of Revenue. The court stayed those cases, pending the outcome of the appeals of the Dauphin and Monroe County decisions.

We expect any question of the legality of skill games to be completely settled in a matter of months.

Another issue that has been addressed by multiple courts on a couple of occasions is the theory that skill games currently fall under the Gaming Act and thus are regulated by the Pennsylvania Gaming Control Board. That argument has been rejected by the Commonwealth Court twice.

In closing, the Pennsylvania Skill game is legal. Those prosecuting the cases who argue differently are not even able to produce a single witness to credibly testify otherwise. We are confident in our case and look forward to working with this body on a regulatory solution to a game that has been, and will continue to be, affirmed as a legal product operating in the Commonwealth.

Thank you.