IN THE COMMONWEALTH COURT OF PENNSYLVANIA

DOCKET NO. 503 MD 2018

POM OF PENNSYLVANIA, LLC,

Petitioner,

v.

PENNSYLVANIA STATE POLICE, BUREAU OF LIQUOR CONTROL ENFORCEMENT,

Respondent,

and

PENNSYLVANIA GAMING CONTROL BOARD,

Intervenor.

THE PENNSYLVANIA GAMING CONTROL BOARD'S APPLICATION TO INTERVENE PURSUANT TO PA.R.CIV.P. 2327-2330

Pennsylvania Gaming Control Board 303 Walnut Street/Strawberry Square Commonwealth Tower/5th Floor Harrisburg, PA 17101 (717) 346-8300 R. Douglas Sherman Chief Counsel PA Attorney I.D. No. 50092

Stephen S. Cook Deputy Chief Counsel PA Attorney I.D. No. 77807

Attorneys for Pennsylvania Gaming Control Board

Dated: February 20, 2020

The Pennsylvania Gaming Control Board (the Board), through its counsel and pursuant to Pa.R.Civ.P. 2327 – 2330, hereby requests this Court to grant it intervention as a Respondent in this action. As set forth below, the Board is the only entity in the Commonwealth granted general and sole regulatory authority over every aspect of the authorization, operation and play of slot machines in the Commonwealth, including of skill slot machines. A decision of this Court will affect that general and sole regulatory authority as well as the Board's duties to protect the public through the regulation of gaming in the Commonwealth. In support hereof, the Board provides the following:

I. INTRODUCTION

The Pennsylvania Gaming Control Board hereby petitions to intervene in POM of Pennsylvania LLC v. Pennsylvania State Police, Bureau of Liquor Enforcement, pending before the Pennsylvania Commonwealth Court at Docket No. 503 MD 2018. In the underlying action, POM asserts that it operates skill-based amusement devices throughout the Commonwealth of Pennsylvania including in taverns, restaurants and social clubs that serve alcohol under license from the LCB. POM asserts that the machines, which can result in the payout of prizes to players, have been characterized by the Bureau of Liquor Control Enforcement as illegal and that possession of such could place the liquor license in jeopardy. In addition, POM asserts that some of its machines have been seized by the Bureau of Liquor Control

Enforcement. See Pet. For Review at ¶¶1-4, 11-33. POM seeks declaratory relief that POM's "Skill Game" is a legal game of skill under Pennsylvania law, and an injunction prohibiting seizures, arrests and prosecutions against those machines. Id at ¶5, and Wherefore clause at pp. 14-15.

The Pennsylvania Race Horse Development and Gaming Act (the Gaming Act), 4 Pa.C.S. §§1101, et seq., (Part II), first enacted in July 2004 and subsequently amended in 2006, 2010 and 2017, established an intricate and all-encompassing regulatory model for a variety of gaming products in Pennsylvania, specifically providing that the intent of the General Assembly in doing so as "the primary objective of this part to which all other objectives and purposes are secondary is to protect the public through the regulation and policing of all activities involving gaming and practices that continue to be illegal. 4 PA.C.S. §1102(1). (emphasis added). The General Assembly created the Pennsylvania Gaming Control Board to oversee all gaming as provided for in the Gaming Act and vested it with broadranging powers and duties, including the general and sole regulatory authority over the conduct of gaming and related activities as described in the Gaming Act, ... and sole regulatory authority over every aspect of the authorization, operation and play of slot machines. 4 PA.C.S. §1102(1). (emphasis added).

Despite the Board being granted general and sole regulatory authority over the conduct of gaming, operators of so-called skill machines, like those operated by POM, have continued to operate their machines outside the regulatory structure established by the Gaming Act. The significance of the skill game debate became crystalized when the Commonwealth Court held, in its November 20, 2019 Opinion in this action, that the skill games at issue fall within the definition of a "slot machine" under the Gaming Act. While ultimately that Court determined that the skill slot machines not located in Board licensed facilities are outside the jurisdiction of the Board under the Gaming Act, the Court did not address whether the General Assembly's enactment of the Gaming Act was intended to foreclose any similar gaming product not located in a Board-licensed facility. Given that the legislation gave the general and sole authority to regulate all gaming in Pennsylvania including the sole regulatory authority over every aspect of the authorization, operation and play of slot machines, the legislation clearly demonstrates an intent to regulate the entire field of slot machines in Pennsylvania and to eliminate opportunities for two classes of slot machines: those with player protections and fairness, and those without.

Because the Gaming Control Board is the only authority tasked with general and sole regulatory authority over every aspect of the operation and play of slot machines in Pennsylvania and because the primary object of the legislation is to protect the public through the regulation of all activities involving gaming, which includes slot machine gaming, the Board is in a unique position as the only

Commonwealth agency with the duty to oversee gaming and to represent an interest of significant importance not currently represented by any other party in this litigation.

II. STATEMENT OF FACTS

- 1. The Pennsylvania Race Horse Development and Gaming Act (the Gaming Act), 4 Pa.C.S. §§1101, et seq., was enacted July 5, 2004 with a primary objective, to which all other objectives and purposes are secondary, to protect the public through the regulation and policing of all activities involving gaming and practices that continue to be unlawful. 4 Pa.C.S. §1102(1).
 - 2. Other expressed intents of the Gaming Act include:
 - a. It is the intent of the General Assembly to authorize the operation and play of slot machines, table games and interactive gaming under a single slot machine license issued to a slot machine licensee. 4 Pa.C.S. §1102(12).
 - b. It is also the intent of the General Assembly to ensure the sustainability and competitiveness of the commercial gaming industry in this Commonwealth by authorizing interactive gaming, the operation of multistate wide-area progressive slot machines, skill and hybrid slot machines. 4 Pa.C.S. §1102(12.2).

- 3. The Gaming Act established the Pennsylvania Gaming Control Board as an independent board which shall be a body corporate and politic. 4 Pa.C.S. §1201(a).
- 4. Membership of the Gaming Control Board is comprised of seven members with three appointed by the Governor, and four appointed by the President pro tempore of the Senate, the Minority Leader of the Senate, the Speaker of the House of Representatives and the Minority Leader of the House of Representatives, respectively. 4 Pa.C.S. §1201(b).
- 5. Section 1202 of the Gaming Act establishes the general and specific powers of the Board.
- 6. Section 1202(a)(1) provides in part: The Board shall have sole and general regulatory authority over the conduct of gaming and related activities as described in this part. The Board shall ensure the integrity of the acquisition and operation of slot machines, and shall have the sole regulatory authority over every aspect of the authorization, operation and play of slot machines,
- 7. By amendment through Act 42 of 2017, the General Assembly specifically added terms and definitions of "hybrid slot machine" and "skill slot machine" to Section 1103 of the Gaming Act on or about October 30, 2017.
- 8. The General Assembly amended the definition of "slot machine" to include "A skill slot machine, hybrid slot machine and the devices or associated

equipment necessary to conduct the operation of a skill slot machine or hybrid slot machine" as part of the 2017 amendment of the Gaming Act.

- 9. The Board's duty to protect the public includes the Board's gaming laboratory's testing and certification of slot machines which meet statutory and regulatory criteria.
- 10. The Gaming Act requires that "all slot machine terminals be linked, at an appropriate time to be determined by the department, to a central control computer" to provide auditing program capacity and individual terminal information. §1323(a).
- 11. Section 1207 of the Gaming Act provides, in part: the Board shall have the power and its duties shall be to require that each licensed gaming entity prohibit persons under 21 years of age from operating or using slot machines, ... §1207(8).
- 12. Section 1207 of the Gaming Act provides, in part: the Board shall have the power and its duties shall be to require that no slot machine may be set to pay out less than the theoretical payout percentage which shall be no less than 85%, as specifically approved by the Board. §1207(10).
- 13. The Gaming Act provides for the operation of slot machines in Category 1, 2, 3 and 4 slot machine licensed facilities.

- 14. The Gaming Act provides for a comprehensive regulatory and oversight scheme for the slot machines in order to protect the public and also fulfill the secondary purposes of the General Assembly.
- 15. The Gaming Act does not provide for slot machines to be operated or otherwise subject to regulation in any location in the Commonwealth other than a Board licensed facility.
- 16. Slot machines operated outside of a Board licensed facility are not subject to the same public protections as commanded for slot machines in Board licensed facilities.
- 17. There is no Pennsylvania statute that expressly authorizes the operation of slot machines in Pennsylvania which are not under the Board's regulatory authority pursuant to the Gaming Act.
- 18. No Commonwealth agency other than the PGCB is vested with "general and sole regulatory authority" to regulate gaming in Pennsylvania under the Gaming Act or with the "the sole regulatory authority over every aspect of the authorization, operation and play of slot machines."
- 19. The Respondents named in this action are the Pennsylvania State Police, Bureau of Liquor Control Enforcement.
- 20. The Pennsylvania Gaming Control Board was not named as a Respondent in this action.

- 21. The Pennsylvania State Police, Bureau of Liquor Control Enforcement's responsibilities and authority involve exercising law enforcement authority in establishments licensed by the Liquor Control Board.
- 22. The Pennsylvania State Police, Bureau of Liquor Control Enforcement's responsibilities and authority also extends to enforcing criminal statutes concerning illegal slot machines.
- 23. The Gaming Control Board, as the only agency authorized to have sole regulatory authority over every aspect of the authorization, operation and play of slot machines in the Commonwealth and, thereby, to protect the public, is uniquely qualified and positioned to address the scope of regulation of slot machine gaming in the Commonwealth in a manner not suited to the scope of duties conferred on the other parties to this matter.
- 24. The authority of the Gaming Control Board as the general and sole authority over the conduct of gaming which includes slot machine gaming and as the sole regulatory authority over every aspect of the authorization, operation and play of slot machines as provided by in the Gaming Act will be affected by an adverse judgment in this matter as the primary purpose of protecting the public through the regulation of gaming will not be fulfilled.
- 25. As the general and sole authority over the conduct of gaming which includes slot machine gaming and as the sole regulatory authority over every aspect

of the authorization, operation and play of slot machines as provided by in the Gaming Act, the Gaming Control Board could have been named as a Respondent in this matter by POM of Pennsylvania, LLC.

If granted status as an intervenor in this action, the Gaming Control 26. Board has submitted herewith an Answer to POM of Pennsylvania, LLC's Petition for Review for Declaratory and Injunctive Relief, which is appended hereto as Exhibit 1.

WHEREFORE, the Pennsylvania Gaming Control Board respectfully requests permission to intervene as a Respondent in this matter and to participate as a party in that capacity.

Respectfully submitted,

Pennsylvania Gaming Control Board 303 Walnut Street, Strawberry Square Commonwealth Tower/5th Floor Harrisburg, PA 17101 (717) 346-8300

R. Douglas Sherman

Chief Counsel

PA Attorney I.D. No. 50092

Stephen S. Cook Deputy Chief Counsel PA Attorney I.D. No. 77807

Attorneys for Pennsylvania Gaming Control Board

Dated: February 20, 2020

CERTIFICATE OF COMPLIANCE

I certify this filing complies with the provisions of the Case Records Public Access Policy of the Unified Judicial System of Pennsylvania that require filing confidential information and documents differently than non-confidential information and documents.

Dated: February 20, 2020

R. Dougfas Sherman

Chief Counsel

CERTIFICATE OF SERVICE

I, R. Douglas Sherman, hereby certify that on this 20th day of February 2020, caused a true and correct copy of the foregoing Application to be served by depositing same in the United States Mail, first class mail, postage prepaid, in Harrisburg, Pennsylvania, upon the following:

Matthew H. Haverstick, Esquire Eric J. Schreiner, Esquire Paul G. Gagne, Esquire Shohin H. Vance, Esquire Kleinbard LLC Three Logan Square 1717 Arch Street, 5th Floor Philadelphia, PA 19103 Counsel for Petitioner

Josh Shapiro, Attorney General
Karen M. Romano, Senior Deputy
Attorney General
Keli M. Neary, Chief Deputy
Attorney General
Office of Attorney General
15th Floor, Strawberry Square
Harrisburg, PA 17120
Counsel for Respondent, Pennsylvania
State Police, Bureau of Liquor Control
Enforcement

Kevin J. McKeon, Esquire Hawke McKeon Sniscak LLP 100 North 10th Street Harrisburg, PA 17101 Counsel for Intervenors, Greenwood Gaming and Entertainment, Inc., et al.

Adrian R. King., Jr., Esquire
Ballard Spahr LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103
Counsel for Intervenors, Greenwood
Gaming and Entertainment, Inc., et al.

R. Douglas Sherman Chief Counsel

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

POM OF PENNSYLVANIA, LLC, Petitioner, v. PENNSYLVANIA STATE POLICE, BUREAU OF LIQUOR CONTROL ENFORCEMENT Respondent, and PENNSYLVANIA GAMING CONTROL BOARD, Intervenor.	DOCKET NO. 503 MD 2018
ODDED	
ORDER	
AND NOW, this day of	, 2020, the
Pennsylvania Gaming Control Board'	s Application to Intervene is hereby
GRANTED. The Pennsylvania Gaming Control Board shall be permitted to	
intervene with full party status in the above-captioned proceeding.	
	By the Court:
	<u> </u>

EXHIBIT 1

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

DOCKET NO. 503 MD 2018

POM OF PENNSYLVANIA, LLC,

Petitioner,

v.

PENNSYLVANIA STATE POLICE, BURAU OF LIQUOR CONTROL ENFORCEMENT,

Respondent,

and

PENNSYLVANIA GAMING CONTROL BOARD,

Intervenor.

NOTICE TO PLEAD

To: POM OF PENNSYLVANIA, LLC

You are hereby notified to file a written response to the enclosed Answer within thirty (30) days from service hereof or a judgment may be entered against you.

Respectfully Submitted:

Pennsylvania Gaming Control Board 303 Walnut Street/Strawberry Square Commonwealth Tower/5th Floor Harrisburg, PA 17101 (717) 346-8300 R. Douglas Sherman

Chief Counsel

PA Attorney I.D. No. 50092

Stephen S. Cook Deputy Chief Counsel PA Attorney I.D. No. 77807

Attorneys for Pennsylvania Gaming Control Board

Dated: February 20, 2020

IN THE COMMONWEALTH COURT OF PENNSYLVANIA

DOCKET NO. 503 MD 2018

POM OF PENNSYLVANIA, LLC,

Petitioner,

v.

PENNSYLVANIA STATE POLICE, BUREAU OF LIQUOR CONTROL ENFORCEMENT,

Respondent,

and

PENNSYLVANIA GAMING CONTROL BOARD,

Intervenor.

ANSWER OF THE PENNSYLVANIA GAMING CONTROL BOARD TO THE PETITION FOR REVIEW OF POM OF PENNSYLVANIA ,LLC

The Pennsylvania Gaming Control Board (the Board), through its counsel, hereby responds to the Petition for Review of POM of Pennsylvania, LLC, in accordance with the numbering thereof as follows:

1. ADMITTED IN PART. DENIED IN PART. It is ADMITTED upon information that POM distributes software for a video game machine called the

Pennsylvania Skill Amusement Device 402.49 throughout the Commonwealth of Pennsylvania. The Board is without information or knowledge sufficient to determine the truth of the averment that the machine is "skill-based" and therefore that averment is DENIED.

- 2. DENIED AS STATED. While one Beaver County Court of Common Pleas decision exists relative to one machine and the software installed thereon, it is DENIED that that decision is precedential in this matter, or that it is preclusive to all machines which POM claims to be "skill-based".
- 3. It is DENIED that skill based slot machines such as those offered by POM are legal in Pennsylvania in any location outside of a Board-licensed slot machine facility. The Board is without information or knowledge sufficient to determine the truth of the specific averments that the PSP and BLCE have communicated their opinion that the machines are illegal and that it intends to seize POM's machines from locations that serve alcohol and therefore those allegations are DENIED.
- 4. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the alleged seizure on July 11, 2018 in Bucks County and therefore those allegations are DENIED.
- 5. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the POM's purpose in filing the action and

therefore those allegations are DENIED. It is further DENIED that POM is entitled to the relief sought.

- 6. Paragraph 6 is a conclusion of law to which no response is required.
- 7. Paragraph 7 is a conclusion of law to which no response is required.
- 8. It is ADMITTED upon information that POM is a limited liability corporation that sells the "Skill Game" throughout the Commonwealth and in Philadelphia. It is DENIED that the "Skill Game" is permitted, authorized, or otherwise legal for sale in Pennsylvania.
- 9. It is ADMITTED that the PSP is a statewide law enforcement authority for the Commonwealth. DENIED it is the only law enforcement authority for the Commonwealth.
 - 10. Paragraph 10 is a conclusion of law to which no response is required.
- 11. ADMITTED IN PART. DENIED IN PART. It is ADMITTED upon information that POM sells and distributes the Pennsylvania Skill game throughout the Commonwealth of Pennsylvania, including in taverns, restaurants and social clubs that serve alcohol under license from the LCB. It is DENIED that such machines are operated legally.
- 12. It is ADMITTED upon information that the skill game machine is a coin operated video machine. It is DENIED that it is an authorized or legal machine for play in Pennsylvania.

- 13. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the "skill game" or the Tic-Tac-Toe game and therefore those allegations are DENIED.
- 14. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the "skill game" or the Tic-Tac-Toe game and therefore those allegations are DENIED.
- 15. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the "Follow-Me second phase of play on the skill game" or the Tic-Tac-Toe game and therefore those allegations are DENIED.
- 16. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the Tic-Tac-Toe game and therefore those allegations are DENIED.
- 17. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the display of the game described and therefore those allegations are DENIED.
- 18. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the pattern displayed in the game described and therefore those allegations are DENIED.
- 19. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the time the player has to change a symbol or

the reason therefore of the game described and therefore those allegations are DENIED.

- 20. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the most advantageous spot to place the Wild symbol of the game described or the reasons for doing so and therefore those allegations are DENIED.
- 21. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the failure to place the Wild symbol of the game described or the consequences of not doing so and therefore those allegations are DENIED.
- 22. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the bonus session of the game described and therefore those allegations are DENIED.
- 23. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the bonus sessions of the game described or the reasons for the bonus sessions and therefore those allegations are DENIED.
- 24. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the paragraph concerning the play of the Tic-Tac-Toe game as described and therefore those allegations are DENIED.

- 25. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the "Follow-Me second phase of play on the skill game" or the Tic-Tac-Toe game and therefore those allegations are DENIED.
- 26. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the sequences for 25 rounds of play or the addition of circles therein and therefore those allegations are DENIED.
- 27. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the potential award to a player for playing the game and therefore those allegations are DENIED.
- 28. Paragraph 28 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED since the skill game is at best, a skill based slot machine which is not authorized or legal to possess or operate in Pennsylvania outside of a Board-licensed facility.
- 29. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the actions by the BLCE and therefore those allegations are DENIED.
- 30. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the actions of high-rankling PSP officials and therefore those allegations are DENIED.

- 31. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the alleged actions by BLCE. By way of further answer, the skill games are not authorized under law and hence, are illegal.
- 32. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the alleged actions by BLCE agents and therefore those allegations are DENIED.
- 33. The Board is without information or knowledge sufficient to determine the truth of the averments concerning the alleged actions by BLCE and therefore those allegations are DENIED.
- 34. Paragraph 34 states a conclusion of law to which no response is required. It is ADMITTED that the PSP through BLCE has authority to enforce liquor laws and to seize property in certain circumstances.
- 35. DENIED. The "skill game" distributed by POM is a skill based slot machine as defined in the Pennsylvania Race Horse Development and Gaming Act which is only authorized and legal to be possessed and operated in a Board-licensed facility by a Board licensed person. The POM skill game is illegal.
- 36. ADMITTED that paragraph 36 quotes a portion of the statute 18 PA.C.S. §5513. DENIED that it quotes the entire section.
- 37. Paragraph 37 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.

- 38. Paragraph 38 states a conclusion of law to which no response is required. By way of further answer, it is DENIED that the paragraph sets forth the proper inquiry in this matter. The proper inquiry is whether the Pennsylvania Race Horse Development and Gaming Act preempts the field of slot machine gaming which is authorized in Pennsylvania, thus rendering the POM machines unauthorized and illegal.
- 39. Paragraph 39 states a conclusion of law to which no response is required.
- 40. Paragraph 40 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.

41. ADMITTED.

- 42. Paragraph 42 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED. By way of further answer, it is irrelevant whether the game is chance or skill as it is a slot machine and slot machines are only authorized and legal to be possessed and operated by Board-licensees.
- 43. Paragraph 43 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED. By way of further answer, it is irrelevant whether the game is chance or skill as it is a slot machine and slot

machines are only authorized and legal to be possessed and operated by Boardlicensees.

- 44. The Board is without information or knowledge sufficient to determine the truth of the averments concerning whether skill predominates in the POM skill game. By way of further answer, it is irrelevant whether the game is chance or skill as it is a slot machine and slot machines are only authorized and legal to be possessed and operated by Board-licensees.
- 45. DENIED AS STATED. While the Court of Common Pleas of Beaver County determined that the POM game in that case was a game in which skill was the predominate factor, that game is different than those at issue in this action as reflected in footnote 1. Moreover, that Court's decision, which is not binding or precedential in this proceeding, did not consider the effect of the machine being a skill slot machine in its analysis and whether the fact of it being a slot machine rendered it unauthorized and illegal on that basis.
- 46. The Board is without information or knowledge sufficient to determine the truth of the averments in paragraph 46 and therefore those allegations are DENIED. By way of further answer, the averments in paragraph 46 are irrelevant to this action.
- 47. Paragraph 47 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED. The "skill game" distributed

by POM is a skill based slot machine as defined in the Pennsylvania Race Horse Development and Gaming Act which is only authorized and legal to be possessed and operated in a Board-licensed facility by a Board licensed person. The POM skill game is illegal.

- 48. Paragraph 48 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED. The "skill game" distributed by POM is a skill based slot machine as defined in the Pennsylvania Race Horse Development and Gaming Act which is only authorized and legal to be possessed and operated in a Board-licensed facility by a Board licensed person. The POM skill game is illegal.
- 49. The Board incorporates its responses to paragraphs 1 through 48, inclusive by reference as if set forth fully herein.
- 50. Paragraph 50 states a conclusion of law to which no response is required.
- 51. Paragraph 51 states a conclusion of law to which no response is required.
- 52. The Board is without information or knowledge sufficient to determine the truth of the averments in paragraph 52 concerning the actions of BLCE and, therefore, those allegations are DENIED.

- 53. Paragraph 53 states conclusions of law to which no response is required. To the extent deemed factual, it is DENIED. The Board is without information or knowledge sufficient to form a belief as to the truth of the allegations concerning the role of POM in designing and selling the components of the skill game and; therefore, these allegations are DENIED.
- 54. Paragraph 54 states conclusions of law to which no response is required. To the extent deemed factual, the Board is without information or knowledge to form a belief as to the truth of the averments concerning POM's goodwill and reputation in the Commonwealth or nationwide.
- 55. The Board is without information or knowledge sufficient to determine the truth of the averments in paragraph 55 and, therefore, those allegations are DENIED.
- 56. Paragraph 56 states conclusions of law to which no response is required. To the extent deemed factual, it is DENIED.
- 57. Paragraph 57 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.
- 58. Paragraph 58 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.
- 59. Paragraph 59 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED that danger to POM exists

from seizures of its machines. Rather the danger is its continuing distribution and operation of slot machines contrary to law.

- 60. Paragraph 60 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.
- 61. Paragraph 61 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.
- 62. Paragraph 62 states a conclusion of law to which no response is required. To the extent deemed factual, it is DENIED.

NEW MATTER

- 63. POM of Pennsylvania, LLC does not hold a license issued by the Pennsylvania Gaming Control Board.
- 64. No officer or Director of POM of Pennsylvania, LLC holds a license issued by the Pennsylvania Gaming Control Board.
- 65. POM of Pennsylvania, LLC does not pay a 34% daily tax from its gross terminal revenue from its skill machines in operation in the Commonwealth.
- 66. POM of Pennsylvania, LLC does not pay a local share assessment from its gross terminal revenue from its skill machines in operation in the Commonwealth.

67. POM of Pennsylvania, LLC does not restrict the age of persons who play its skill machines in operation in the Commonwealth to persons of 21 years of age and older.

68. POM of Pennsylvania, LLC does not pay a fee to the Department of Drug and Alcohol Programs for public education, awareness and training regarding compulsive and problem gaming and the treatment and prevention of compulsive and problem gambling.

69. POM of Pennsylvania, LLC does not maintain or participate in a self-exclusion list or program for persons to voluntarily exclude themselves from playing skill slot machines in operation in the Commonwealth.

Pennsylvania Gaming Control Board 303 Walnut Street, Strawberry Square Commonwealth Tower/5th Floor Harrisburg, PA 17101 (717) 346-8300 R. Douglas Sherman

Respectfully submitted,

Chief Counsel

PA Attorney I.D. No. 50092

Stephen S. Cook

Deputy Chief Counsel

PA Attorney I.D. No. 77807

Attorneys for Pennsylvania Gaming Control Board

Dated: February 20, 2020

CERTIFICATE OF COMPLIANCE

I certify this filing complies with the provisions of the Case Records Public Access Policy of the Unified Judicial System of Pennsylvania that require filing confidential information and documents differently than non-confidential information and documents.

Dated: February 20, 2020

R. Douglas Sherman

Chief Counsel

VERIFICATION

The undersigned hereby certifies that the statements contained in the Pennsylvania Gaming Control Board's Answer are true and correct to the best of his knowledge, information and belief. It is understood that this statement is made subject to the penalties of 18 PA. C.S.A. §4904, relating to unsworn falsification.

Dated: February 20, 2020

Kevin F. O'Toole

Executive Director

Pennsylvania Gaming Control Board

CERTIFICATE OF SERVICE

I, R. Douglas Sherman, hereby certify that on this 20th day of February 2020, caused a true and correct copy of the foregoing Answer to be served by depositing same in the United States Mail, first class mail, postage prepaid, in Harrisburg, Pennsylvania, upon the following:

Matthew H. Haverstick, Esquire Eric J. Schreiner, Esquire Paul G. Gagne, Esquire Shohin H. Vance, Esquire Kleinbard LLC Three Logan Square 1717 Arch Street, 5th Floor Philadelphia, PA 19103 *Counsel for Petitioner*

Josh Shapiro, Attorney General Karen M. Romano, Senior Deputy Attorney General Keli M. Neary, Chief Deputy Attorney General Office of Attorney General 15th Floor, Strawberry Square Harrisburg, PA 17120 Counsel for Respondent, Pennsylvania State Police, Bureau of Liquor Control Enforcement Kevin J. McKeon, Esquire
Hawke McKeon Sniscak LLP
100 North 10th Street
Harrisburg, PA 17101
Counsel for Intervenors – Greenwood
Gaming and Entertainment, Inc., et al.

Adrian R. King., Jr., Esquire
Ballard Spahr LLP
1735 Market Street, 51st Floor
Philadelphia, PA 19103
Counsel for Intervenors – Greenwood
Gaming and Entertainment, Inc., et al.

R. Douglas Sherman Chief Counsel