

CRIMINAL EFFECT OF SKILL GAMING

Senate Democratic Policy Committee Hearing

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Radnor Township Building, Radnor Township

Testimony of:

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Good morning and thank you for the opportunity to speak with you this morning. My name is Jack Stollsteimer, and I am the District Attorney in Delaware County.

The issue of skill gaming in Pennsylvania and the legality and regulation of these machines that are proliferating in incredible numbers across our Commonwealth is, in my opinion, an issue of urgent public policy that needs to be squarely and clearly addressed by the General Assembly. As you know, courts across Pennsylvania have in recent years been grappling with the legal treatment of these machines under existing law after law enforcement agencies seized skill games machines as illegal gaming devices.

As a District Attorney in a county home to a licensed casino, and a recipient of a Local Law Enforcement Grant from the Pennsylvania Gaming Control Board, I have paid particular interest to the decisions reached in those courts. From those learned decisions it is quite clear that our current laws are not adequate in determining if skill games are legal or illegal in Pennsylvania and we in law enforcement are eager for our state policymakers to clarify the law through the legislative process.

My testimony today is therefore not about the legality of skill game machines - which is clearly in the legislature's purview - it is instead directed to the effects we in law enforcement see from the proliferation of skill games in our communities. Here in Delaware County we are seeing an uptick in crime related, as one would expect, to the expansion of gaming machines. The majority of the machines are found in gas stations, taverns, and convenience stores. Each machine contains a cash box, and some locations also have redemption machines that dispense cash to winners. Because these machines are most valuable to their owners if they are available to anyone who comes into their establishments, they are often found in locations with a minimum of security, certainly nothing comparable to the security of gaming machines found in licensed casinos. These machines therefore present a target for thieves looking to break into machines and quickly abscond with untraceable cash.

Many communities in the Commonwealth are struggling with the law enforcement consequences of the proliferation of these machines. For example, in June of this year, \$3,000 was stolen from a skills machine in Carlisle. In April of last year, machines in Lancaster County were manipulated for the theft of \$17,000. And in January of this year, then-Attorney General Shapiro announced the arrest of two men for their involvement in the robbery of 25 skill gaming machines in gas stations and 7-Elevens in the Philadelphia area. When executing their search warrants, the AG's Gaming Division seized five firearms, an ATM machine, and cash. In each robbery, the defendants used the same MO – wearing masks, hoods and gloves, they used sledgehammers, pry bars, and other tools to break open the machines and steal the cash inside. The robberies resulted in a loss of over \$125,000, and damage in excess of \$114,000.

In December 2020 an even more terrifying incident occurred when a store clerk was killed while mopping the floor at a Sunoco-affiliated retailer. The Luzerne County District Attorney said at that time that the gaming machines were the lure for the killer, who had previously played at the store and knew that it had significant cash on the premises and virtually no security. The case – which is the subject of a wrongful death suit – makes clear that the combination of little or no security and easily available cash is a combination that can turn deadly.

While I recognize – and am sympathetic to – the plight of the small business owners who rely on these machines for an additional infusion of profit in their operations, we must all recognize that there are costs associated with these machines. Criminals now consider these small stores as soft targets because they are known to contain easy cash and lack any of the security measures to protect the low wage, front-line workers and customers.

While the incidence of violent crime will always be my top-line focus, there are other effects that must also be considered when discussing the effect of these machines on our communities. The lack of consumer protections – such as minimum payout requirements -- must also get the legislature's attention. Additionally, there are no mechanisms in place to prevent underage gambling.

These machines will continue to proliferate in convenience stores, pizza parlors, laundromats, VFWs, and gas stations. It is time for the legislature to act and make clear to the members of law enforcement what is legal and what is not. Only then will we be able to do our job to protect our community.

Thank you for the opportunity to speak with you today.