<u>Games of Skill vs. Games of Chance</u> <u>April 2, 2015</u>

Testifiers:

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Key Points:

- Slot machines typically are games of chance that rely on a Random Number Generator (RNG) where the outcome of the game is completely out of the patron's control.
- However, some slot machines can contain some elements of skill.
- The key legal principle applied by the courts when determining if a machine is used for "unlawful gaming" is the predominate factor test:
 - O Does skill or chance predominate the play of the machine?
- Chance predominated machines are illegal outside of PA Casinos.
- A Superior Court ruling determined that a machine with the RNG removed is a skill game and no longer "unlawful gaming".
- The petition for the PA Supreme Court to review the Superior Court's decision is pending. However, legislation may be needed to provide a clear definition as to what machines are illegal outside of PA Casinos.