

LGCB Board of Directors Meeting, (Pages 1:2 to 48:24)

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2 LOUISIANA GAMING CONTROL BOARD

3

4 BOARD OF DIRECTORS' MEETING

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9 MONDAY, MAY 14, 2018

10

11 LaSalle Building

12 LaBelle Hearing Room

13 617 North 3rd Street

14 Baton Rouge, Louisiana

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18 TIME: 10:00 A.M.

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2

1 APPEARANCES

2

3 RONNIE JONES

Chairman (At Large)

4 June 30, 2019

5

6 MARK STIPE

(Attorney)

7 Seventh Congressional District

June 30, 2020

8

JAMES SINGLETON

9 (Public/Business Administration)

Second Congressional District

10 June 30, 2020

11 CLAUDE D. JACKSON

(At large)

12 Fourth Congressional District

June 30, 2018

13

14 JULIE BERRY

(CPA)

15 Third Congressional District

June 30, 2018

16

17 ELTON LAGASSE

(At large)

18 First Congressional District

June 30, 2021

19

20 MIKE LEGENDRE

Director, Office of Charitable Gaming

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22

23

24

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1 APPEARANCES CONTINUED

2

3 PAUL EDMONSON

LOUISIANA STATE POLICE

4

5 LANA TRAMONTE

Executive Assistant

6

7 TRUDY SMITH

Confidential Assistant

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9 REPORTED BY:

10 SHELLEY G. PAROLA, CSR, RPR

Baton Rouge Court Reporters

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24 Belle of Baton Rouge
25 - No. R011700009 37

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4 Winborne Gaming - No. 5400614822 40

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1 I. CALL TO ORDER

2 CHAIRMAN JONES: Good morning and
3 welcome to the May meeting of the
4 Louisiana Gaming Control Board.

5 Miss Tramonte, would you call the
6 roll.

7 THE CLERK: Chairman Jones?

8 CHAIRMAN JONES: Here.

9 THE CLERK: Mr. Bradford? [No
10 response.]

11 Mr. Stipe?

12 MR. STIPE: Here.

13 THE CLERK: Mr. Singleton?

14 MR. SINGLETON: Here.

15 THE CLERK: Mr. Jackson?

16 MR. JACKSON: Here.

17 THE CLERK: Mr. Gaston? [No
18 response.]

19 Miss Berry?

20 MS. BERRY: Here.

21 THE CLERK: Mr. Patrick? [No
22 response.]

23 Mr. Lagasse?

24 MR. LAGASSE: Here.

25 THE CLERK: Colonel Reeves.

7

1 MR. EDMONSON: Paul Edmonson for

2 Colonel Reeves.

3 THE CLERK: Secretary Robinson?

4 MR. LEGENDRE: Mike Legendre for

5 Secretary Robinson.

6 II. PUBLIC COMMENTS

7 CHAIRMAN JONES: Thank you. We have
8 a quorum. We may conduct business.

9 Is there anyone here this morning
10 who would like to make public comment on
11 any matter before the Board on our
12 agenda today? [No response.]

13 III. APPROVAL OF THE MINUTES

14 CHAIRMAN JONES: We will move to
15 Approval of the Minutes. Do I have a
16 motion to waive reading and approve the
17 minutes? By Miss Berry and
18 Mr. Singleton.

19 Any objection? [No response.]
20 Without objection, we waive reading and
21 the minutes have been approved.

22 VI. PRESENTATION BY JANET MILLER, EXECUTIVE
23 DIRECTOR OF THE LOUISIANA ASSOCIATION ON
24 COMPULSIVE GAMBLING

25 CHAIRMAN JONES: Janet, why don't we

8

1 have you come up now, before we get into
2 our regular order of business, if you
3 don't mind. We have Janet Miller with
4 us this morning who is the Executive

5 Director of Louisiana Association on
6 Compulsive Gambling. We know her.
7 She's appeared before the Board before.
8 We work closely with her, and we've been
9 trying to get her here for a couple of
10 months. We're glad to have you this
11 morning.

12 MS. MILLER: Thank you.

13 CHAIRMAN JONES: Good morning.

14 MS. MILLER: This morning there were
15 two things I wanted to cover that I was
16 unable to cover in March with all of
17 you, and one was during -- March is
18 Problem Gambling Awareness Month, and
19 the reason we choose that, as we keep
20 reminding you each year, is that that is
21 the longest betting type of sports
22 betting season, which is March Madness
23 with basketball. So we run the national
24 movement of Problem Gambling Awareness
25 during that month.

9

1 Also during that month, we do a lot
2 of different grassroots campaigns with
3 TV, radio, any media exposure,
4 trainings, events, seminars. We did one
5 down here in Baton Rouge. And also this
6 year what I did different, other than
7 asking the Governor for the proclamation

8 to have it as Problem Gambling Awareness
9 Month, I reached out too, and I realized
10 this. There was over 300 mayors in
11 Louisiana. I did not know that. I
12 don't know that you knew that, but there
13 you go. I reached out to every single
14 one of them, which was a task with our
15 team, and we actually had 17 of those
16 mayors very quickly respond by doing
17 proclamations for their own cities --
18 Baton Rouge being one of them -- that
19 said, let's really look at this as a
20 whole city and as far as a state looking
21 at problem gambling awareness.

22 So it gave our board opportunity --
23 since the board is made up of people all
24 over the State of Louisiana in different
25 credentials and dignitaries, that we

10

1 were able to go to their city council
2 meetings, present information and
3 explain things. So it was a much bigger
4 movement. We were the only state out of
5 the 36 affiliates for the National
6 Council on Problem Gambling that had all
7 these mayors involved with all the
8 proclamations as well.

9 So I was very pleased about that,
10 and then the other item that I brought

11 for the Board, as well as you will see
12 this around in the venues, is a new
13 card -- basically a new promotional card
14 for help services. The difference of
15 this card is, one, it's more colorful
16 than our old black and white, and two,
17 we have a new number that we've
18 purchased this year for an intake
19 number. It's 1-877-587(LACG), and
20 there's two sides to this. We actually
21 use the think tank of the most obvious
22 people to reach to, which were problem
23 gamblers that we treat, and, "So what
24 would you like to see? What would catch
25 your eye either in the casino, in the

11

1 lottery, in the video poker, racetrack?
2 Any of the places that gaming is
3 allowed, what would catch your eye and
4 appeal to you to say let me take this
5 with me or let me look at that number?"

6 And then we added, again, an intake
7 number. That number is specific to
8 people who already know they have a
9 problem, so they don't maybe need to
10 call the Louisiana Problem Gamblers
11 Helpline. They can call directly into
12 that 1-877 number. We will connect them
13 to the different services of treatment

14 and counseling or support groups in the
15 State of Louisiana. So this is a great
16 tool. I love this one. This is my
17 newest kind of favorite piece to you.

18 The other part that I wanted to take
19 a couple minutes to present to the Board
20 was on a program that was launched, and
21 I brought the actual study that I sent
22 to the Chairman if you want to take it
23 and read it today. It's, like, 90
24 pages, and it's only a preliminary
25 study. But I do give this to the board.

12

1 The preliminary study from Gamesense
2 PlayMyWay is from a reputable team, and
3 I love that the reputable team also says
4 this is just preliminary. It's only a
5 six, almost seven-month study on a
6 program that needs to be watched for
7 years.

8 Massachusetts brought this program
9 in last year to decide -- two years ago
10 now to decide whether it would be an
11 adjunct, kind of help within the system
12 of any gaming places specifically to
13 casinos at this point, to say maybe this
14 would be part of responsible gaming to
15 bring in this program. The program
16 started in 2006 through a British

17 Columbia team, and it was set up just to
18 be kind of a self-monitoring,
19 self-limiting. It was all controlled by
20 your own desires as to what you wanted
21 to do for money, for time and games.

22 Along with British Columbia, Canada
23 and Australia are also using the
24 program. MGM is actually using the
25 program at all its U.S. properties now.

13

1 IGT has met with Wynn property, Penn
2 National and the Connecticut Lottery to
3 use the program. It's basically a
4 precommitment, or what they like to call
5 in Massachusetts, a play management
6 system that allows patrons to set their
7 limits.

8 I would say that my first blush
9 through this program is similar to a
10 Fitbit watch, where it would say, "hey,
11 get up and move around. You've not
12 walked enough; you need to do this, or
13 you have done well," you know, whatever
14 that little bit does that's sweet. This
15 is a similar program. This, again,
16 preliminary study was done because the
17 Massachusetts Gaming Control Board
18 allowed this program to come in through
19 the Massachusetts Council on Problem

20 Gambling who monitored it and hired the
21 staff, and it is the first U.S. gaming
22 venue to use the programless [sic] PPC.

23 Approximately, 7,500 enrollees went
24 into the program. 85.2 percent of them
25 were stable enrollees in the sense that

14

1 they stayed in the program. 1.3 were
2 erratic. They went in, they went out;
3 they went in, they went out. I figured
4 that was probably the people I work
5 with, maybe. I don't know. 13.5 were
6 dropouts. So people that actually
7 dropped out were in the beginning of the
8 first hour of play or within the first
9 day. So it would be somebody who maybe
10 signed up in Massachusetts. It was set
11 up with an incentive program. So that
12 was part of what we may see as part of
13 why they signed up was to get the
14 incentive or the comps.

15 Usually the users of this program
16 actually tended to be more cash users.
17 Some of the actual statistics are
18 showing that they tended to cash out
19 more often. They wagered less. They
20 used less money and less money per day.

21 What I did look at was how would
22 this affect the population that we

23 serve, which is problem gamblers, with
24 the PlayMyWay Program. Now, these
25 are -- as far as even the study right

15

1 now is preliminary -- so would be my
2 findings on this. One is problem
3 gamblers just won't sign up for this.
4 It's just not going to happen no matter
5 what you do as an incentive. Also,
6 problem gamblers will feel watched, or
7 they may feel paranoid as they already
8 do, so they wouldn't do this. They may
9 drop out but probably most likely would.
10 The alerts could also trigger them on a
11 chasing loss or chasing win procedure
12 that we know with some other studies
13 that they've done. They would set the
14 limits, but they continue to play.

15 So actually the study is not long in
16 time and not very long in how its been
17 studied, so it really doesn't give
18 conclusive evidence to help people any
19 more or any less than, like, the
20 self-exclusion program, but it is one of
21 the programs Massachusetts is using. So
22 we definitely wanted to look at that.
23 The Chairman -- we had talked about it,
24 and I had talked to the Massachusetts
25 Council and some of the people involved

1 with their Gaming Control Board.

2 I just wanted to let you know about
3 that program, and if you have any
4 questions, you certainly don't have to
5 ask me today. You can also contact me
6 in email or call me directly, and I will
7 certainly send you this preliminary
8 study, as well great reading.

9 CHAIRMAN JONES: I was with Steve
10 Crosby last week from Massachusetts.
11 He's the Chairman of Massachusetts.
12 That was actually going to be on the
13 program, and because of the anticipated
14 Supreme Court decision that came out
15 today, we had some other people who came
16 and spoke to us about regulatory
17 structure for sports books, so I didn't
18 get the briefing last night, but we're
19 going to get it again in the fall --
20 that opportunity.

21 I was wondering -- I was concerned
22 when you sent an email to us about the
23 erosion -- potential erosion of funding
24 as a result of what's going on across
25 the street. Have you learned anything

1 since then -- anything for your
2 operation?

3 MS. MILLER: Right, and so far as
4 far as the certain bills that are out
5 there, nothing has reached any place of
6 where we're concerned, but, of course,
7 we're watching it -- every bill as well,
8 and reaching out to all the senators and
9 representatives as much as we can and
10 community to let them know. We sent a
11 report to the Louisiana Department of
12 Health two weeks ago on what that would
13 consist of for LACG if we lost one of
14 the bills, HB833, half our funding --
15 what that would mean for us. So we sent
16 that, and it would be dramatic in the
17 sense that possibly we would close
18 programs or certainly have a huge
19 reduction in what we could provide.

20 CHAIRMAN JONES: So they're aware of
21 the potential impact and your program --
22 DHH.

23 MS. MILLER: DHH has been aware, and
24 they actually met with and we assisted
25 them with some information to meet with

18

1 some of the senators.

2 CHAIRMAN JONES: You know, things
3 aren't very settled across the street
4 yet, and I suspect that they'll come
5 back in special session; but I would

6 urge you to continue to monitor that and
7 alert us if it looks like things -- the
8 negotiations aren't going well on your
9 behalf, because it's really important.

10 MS. MILLER: It is.

11 CHAIRMAN JONES: I know there's
12 several measures out there that move,
13 you know, gaming revenues for the state
14 around and put them in different places
15 and dedicate them, so none of that's
16 really solid yet.

17 MS. MILLER: Right.

18 CHAIRMAN JONES: And I'm not even
19 sure that by the end of the week it may
20 well come as a special session that we
21 anticipate being called very shortly.

22 Board Members, do you have any
23 questions for Janet?

24 Yes, ma'am.

25 MS. BERRY: Morning, thank you for

19

1 your presentation.

2 MS. MILLER: Thank you.

3 MS. BERRY: Something just caught my
4 eye here, and I've seen a lot of, I
5 guess, public service announcements in
6 our local papers at home where I'm from
7 in the Jennings, Lake Charles area,
8 about problem gambling; and I didn't

9 realize that it's free for
10 Louisiana residents -- that help is
11 free.

12 MS. MILLER: Correct. All areas in
13 the state that has a contract that pulls
14 money paid for through the Problem and
15 Compulsive Gambling, statutory dedicated
16 fund, is free.

17 MS. BERRY: I think that's amazing.
18 And I was looking at your billboard on
19 here, "Gambling Problem," and to me -- I
20 mean, this is just my opinion -- the
21 more you emphasize "free," maybe you get
22 more help from people. Really, I'm
23 going to have to check the ads that I've
24 been seeing because I didn't notice the
25 "free" part.

20

1 MS. MILLER: And I don't think that
2 that it is on a lot of advertisements.
3 It's similar to sometimes when people
4 see the 1-877-770-STOP number at the
5 bottom of billboards or even the lottery
6 tickets or any place, that sometimes
7 they get confused and think that that is
8 answered by the industry or by video
9 poker or, you know -- so we're having to
10 change that perception, too, and to know
11 that it's free sometimes helps,

12 sometimes with this disorder doesn't.

13 MS. BERRY: Well, I mean, especially
14 if a family member or somebody related
15 to the problem person. You know, I know
16 in the other types of addictions that it
17 can be very costly to get help, you
18 know.

19 MS. MILLER: Absolutely.

20 MS. BERRY: My second question is:
21 Does the industry fund y'all at all --
22 help fund? You were just talking about
23 losing potentially half of your funding.
24 Does the gambling industry contribute
25 any to y'all's?

21

1 MS. MILLER: They do. In fact,
2 their contributions generally come
3 through the Louisiana Casino
4 Association, but they also have
5 independently contributed to us. And
6 the lotteries actually let us know
7 recently that they would fund some
8 events for us this next year, so there
9 is certainly a lot of partnership and
10 help there.

11 MS. BERRY: Good. That's good to
12 know. Thank you very much.

13 CHAIRMAN JONES: Board members, any
14 other questions for Janet? [No

15 response.]

16 Thank you so much for coming, we
17 appreciate it.

18 MS. MILLER: You're welcome.

19 IV. REVENUE REPORTS

20 CHAIRMAN JONES: We now call Revenue
21 Reports. Good morning.

22 MS. JACKSON: Board Members,
23 morning. My name is Donna Jackson with
24 Louisiana State Police Gaming
25 Enforcement Division.

22

1 The 15 operating riverboats
2 generated Adjusted Gross Receipts of
3 \$157,049,942 in April. This total
4 represents an overall decrease from last
5 month of \$33 million or 17 percent, and
6 a decrease of \$8.7 million or 5 percent
7 from last April.

8 Adjusted Gross Receipts for fiscal
9 year 2017-2018 to date are
10 \$1,593,000,000, a decrease of
11 \$19.4 million or 1 percent from fiscal
12 year 2016-2017.

13 During April, the State collected
14 fees totaling \$33,765,738. As of
15 April 30th, 2018, the State has
16 collected \$342.5 million in fees for
17 fiscal year 2017-2018.

18 Next is a summary of the April 2018
19 gaming activity for Harrah's New Orleans
20 found on page three. During April,
21 Harrah's generated \$23,971,456 in gross
22 gaming revenue, a decrease of almost
23 \$3 million or 10.7 percent from last
24 month, and a decrease of \$11 million or
25 31.7 percent from last April.

23

1 Revenues for fiscal year 2017-2018
2 to date are \$238 million, an increase of
3 \$3.8 million or 2 percent from fiscal
4 year 2016-2017.

5 During April, the State received
6 \$4,931,507 in minimum daily payments.
7 As of April 30th, 2018, the State has
8 collected \$53.7 million in fees for
9 fiscal year 2017-2018.

10 Next I will present the revenues for
11 Slots at the Racetracks. During April,
12 the four racetrack facilities combined
13 generated Adjusted Gross Receipts of
14 \$30,162,722, a decrease of \$5.4 million
15 or 15 percent from last month, but an
16 increase of \$1.3 million or 4.5 percent
17 from April 2017.

18 Adjusted Gross Receipts for fiscal
19 year 2017-2018 to date are \$290 million,
20 an increase of \$4.6 million or 2 percent

21 from fiscal year 2016-2017.

22 During April, the State collected
23 \$4,575,685 in fees. As of April 30th,
24 2017, the State has collected over
25 \$44 million in fees for fiscal year

24

1 2017-2018.

2 Overall in April, Riverboats,
3 Landbased and Slots at the Racetracks
4 combined generated \$211 million in AGR
5 and \$43 million in state fees. These
6 revenues represent a decrease from April
7 2017 of \$18.5 million or 8.8 percent.

8 Any questions before I present the
9 Harrah's employee information?

10 CHAIRMAN JONES: Board Members, any
11 questions? No, ma'am.

12 MS. JACKSON: Harrah's New Orleans
13 is required to maintain at least 2,400
14 employees and bi-weekly payroll of
15 \$1,750,835. This report covers pay
16 periods in April 2018. For the first
17 pay period, the Division verified 2,536
18 employees with a payroll of \$2,137,000.
19 For the second pay period, the Division
20 verified 2,518 employees with a payroll
21 of \$2,138,000. Therefore, Harrah's met
22 the employment criteria during April.

23 Questions?

24 CHAIRMAN JONES: Any questions,
25 Board Members? Yes, Mr. Singleton.

25

1 MR. SINGLETON: On Harrah's
2 employment, that 2,400, as I understand,
3 is the required number.

4 MS. JACKSON: Right.

5 MR. SINGLETON: How many are
6 part-time, and how many are full-time?

7 MS. JACKSON: I'm not sure of that.
8 I may have to get with the A.G.'s Office
9 to see how much of that information is
10 public because I believe the way that
11 Harrah's submits the information, they
12 don't break it down by
13 full-time/part-time. I'll have to get
14 some more information on the
15 classification.

16 MR. SINGLETON: Ask the other
17 question and find out what is -- is this
18 something the State requires, or did the
19 city require in terms of the number?

20 MS. JACKSON: I'm not sure if
21 someone from Harrah's may be here and
22 know more about it.

23 CHAIRMAN JONES: Yeah, I don't
24 believe that's required by the statute,
25 is it? Contract -- yeah, it's not the

26

1 statutes or the contract, yeah.

2 MR. SINGLETON: The contract with
3 the City or the State?

4 CHAIRMAN JONES: State.

5 MR. SINGLETON: I'll have to go back
6 and do some checking. I was there when
7 this thing was done, and I'm trying to
8 go out and call and ask some questions;
9 and I don't quite know, so I guess I got
10 to go back and find out what the council
11 did some years ago in terms of whether
12 it was volunteer or whether or not it is
13 something that is required.

14 MS. JACKSON: Okay.

15 MR. SINGLETON: And people call me
16 saying 2,400 was supposed to be
17 full-time employees, not part-time, and
18 that's what I'm trying to find out.

19 MS. JACKSON: I'll get more
20 information on it. And just understand,
21 I'm not the one who actually sees the
22 numbers. I only have what they give me,
23 so I'll get with the person that
24 actually does the calculation --

25 MR. SINGLETON: Okay.

27

1 MS. JACKSON: -- and prepare some
2 more information for you to answer your
3 question.

4 MR. SINGLETON: Thank you.

5 CHAIRMAN JONES: The statute was
6 changed, what, two years ago, I believe,
7 for the total number to be able to count
8 the other businesses that are on the
9 site of the property, in addition to
10 Harrah's direct employees as well. So
11 that was the last change in the statute
12 I'm aware of.

13 Any other questions? [No response.]

14 Thank you.

15 Jim.

16 MR. BOSSIER: Good morning, Chairman
17 Jones and Board Members. My name is Jim
18 Bossier with the Louisiana State Police
19 Gaming Enforcement Division here to
20 report video gaming statistics for
21 April 2018 as shown on page one of your
22 handout.

23 Sixteen new video gaming licenses
24 were issued during April: Seven bars,
25 eight restaurants and one device

28

1 owner's. Six new applications were
2 received by the Gaming Enforcement
3 Division during April and are currently
4 pending in the field: Four bars and two
5 restaurants.

6 The Gaming Enforcement Division

7 assessed \$5,319 and collected \$6,850 in
8 fines during April, and there are
9 currently \$4,055 in outstanding fines.

10 Please refer to page two of your
11 handout.

12 There are presently 13,053 video
13 gaming devices activated at 1,713
14 locations.

15 Net device revenue for April 2018
16 was \$51.1 million, a \$7.5 million, or
17 \$12.8 percent, decrease when compared to
18 March 2018, and a \$2 million increase,
19 or 4.1 percent, when compared to
20 April 2017.

21 Net device revenue so far fiscal
22 year 2018 is \$483.8 million, a
23 \$3 million increase or six-tenths of
24 1 percent when compared to fiscal year
25 2017. Page three of your handout shows

29

1 a comparison of net device revenue.

2 Total franchise fees collected
3 during April 2018 were \$15.3 million, a
4 \$2.3 million decrease when compared to
5 March 2018, and a \$600,000 increase when
6 compared to April 2017.

7 Total franchise fees collected for
8 fiscal year 2018 are \$145 million, an
9 \$800,000 increase or six-tenths of

10 1 percent when compared to fiscal year
11 2017. Page four of your handout shows a
12 comparison franchise fees.

13 Does anybody have any questions?

14 CHAIRMAN JONES: Board Members, any
15 questions on video poker? There are no
16 questions.

17 MR. BOSSIER: Thank you.

18 V. COMPLIANCE REPORTS

19 CHAIRMAN JONES: We now move to
20 Compliance Reports. Mesa, good morning.

21 MS. BROWN: Good morning, Chairman
22 Jones, Board Members. I'm Mesa Brown,
23 Assistant Attorney General. Today I'll
24 present the staff reports on riverboat
25 and racetrack casino licensees'

30

1 compliance with employment and
2 procurement conditions for the first
3 quarter of 2018.

4 I'll begin with the riverboats. The
5 first quarter reports are taken from
6 figures reported by the 15 operating
7 riverboats to the Louisiana Control
8 Board. In the first quarter of 2018,
9 approximately 12,195 people were
10 employed by the riverboat industry. Of
11 that number, 11,962 were Louisiana
12 residents; 7,668 were minorities, and

13 6,853 were women.
14 Five licensees achieved total
15 compliance this quarter, and they are:
16 Golden Nugget, L'Auberge Casino & Hotel
17 Baton Rouge, Boomtown New Orleans, Isle
18 of Capri Casino St. Charles and
19 L'Auberge Lake Charles.

20 Next I'll address employment. Five
21 licensees did not meet their total
22 employment goals, and they are
23 DiamondJacks Casino & Resort who
24 achieved 401 out of a goal of 650.
25 Belle of Baton Rouge achieved 448 out of

31

1 450. Hollywood achieved 387 out of a
2 goal of 450. Amelia Belle achieved 292
3 out of 325, and Boomtown Casino Bossier
4 achieved 496 out 650.

5 All licensees either met or exceeded
6 their goals in all of the subcategories
7 under the main category of employment
8 with the exception of Treasure Chest,
9 who failed to meet its female employment
10 goal. It achieved 48.7 out of a goal of
11 51.86.

12 Next I'll address procurement. The
13 licensees are grouped according to three
14 subcategories which appear in your
15 report. They are Louisiana, minority

16 and female procurement. Under Louisiana
17 procurement, three licensees did not
18 achieve compliance with their voluntary
19 conditions. Those licensees are
20 Treasure Chest who achieved 70.8 out of
21 75 percent. Amelia Belle achieved 71.8
22 out of 80, and Margaritaville Resort
23 Casino achieved 84.1 out of a goal of
24 90 percent.

25 Minority procurement, four licensees

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1 did not achieve compliance with their
2 voluntary conditions, and they are:
3 Sam's Town who achieved 8.9 out of
4 25 percent; Horseshoe achieved 23.3 out
5 of 35; Treasure Chest achieved 3.6 out
6 of 15, and Eldorado achieved 23.4 out of
7 25. With female procurement all
8 licensees either met or exceeded their
9 goals.

10 Are there any questions regarding
11 the riverboats?

12 CHAIRMAN JONES: Board Members, any
13 questions on riverboat? I'll come back
14 in just a second.

15 MS. BROWN: Now I'll begin with the
16 racetrack numbers. In the first quarter
17 of 2018, approximately 1,458 people were
18 employed by the racetrack casino

19 industry. Of that number, 1,234 were
20 Louisiana residents; 747 were minorities
21 and 851 were women.

22 Two racetrack casinos achieved total
23 compliance this quarter, and they are
24 Evangeline Downs & Fairgrounds. Delta
25 Downs did not achieve its Louisiana

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1 employment condition. It achieved 64.4
2 out of the 80 percent condition, and
3 Louisiana Downs did not achieve its
4 female employment condition. It
5 achieved 57.1 out of 60.

6 Are there any questions regarding
7 the racetracks?

8 CHAIRMAN JONES: Any questions on
9 the racetracks, Board Members? No
10 questions on the racetracks.

11 Let's go back to riverboat
12 procurement for just a moment.

13 MS. BROWN: Okay.

14 CHAIRMAN JONES: There were four
15 properties that didn't meet their goals.
16 Two of them were fairly stable even
17 though they didn't meet their goals, and
18 Horseshoe has remained fairly stable
19 after making an appearance two years ago
20 and a recent appearance. There's no
21 precipitous fault there, nor was there

22 for Eldorado who was also in here
23 recently to talk to us. However, Sam's
24 Town dropped again, and the Treasure
25 Chest dropped.

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1 Both of those are Boyd properties,
2 correct?

3 MS. BROWN: Yes. That's correct.

4 CHAIRMAN JONES: You know, I'm -- I
5 don't know how many different ways I can
6 say this, ladies and gentlemen; but
7 procurement goals are important, and
8 we're going to get there. It's
9 incredibly disappointing and I think
10 disrespectful to the process for both of
11 those properties to drop to where they
12 are, and if we have to bring
13 representatives in every month to talk
14 about this, I'm fine with that. But
15 we're going to start fixing this
16 problem.

17 Any other questions, Board Members?

18 MS. BROWN: Thank you.

19 VII. CASINO GAMING ISSUES

20 A. Consideration of Certificate of Compliance

21 for the Alternate Riverboat Inspection of
22 the gaming vessel of Bossier Casino
23 Venture, Inc., d/b/a Margaritaville Resort
24 Casino - No. R011000841

25 CHAIRMAN JONES: We will now move to

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1 Casino Gaming Issues, and first up is
2 Consideration of Certificate of
3 Compliance for the Alternate Riverboat
4 Inspection of the gaming vessel of
5 Bossier Casino Venture, Inc., doing
6 business as Margaritaville Resort
7 Casino, No. RO11000841.

8 Good morning.

9 MS. LANDRY: Good morning, Chairman
10 Jones and Board Members. I'm Assistant
11 Attorney General Lisha Landry. Here
12 with me is Mr. John Francic of ABSC.
13 We're here in the matter of the issuance
14 of the Certificate of Compliance to
15 Bossier Casino Venture, Inc., doing
16 business as Margaritaville Resort
17 Casino.

18 On April 10th, 2018, ABSC began the
19 inspection process for the approval of
20 Margaritaville's Certificate of
21 Compliance. For more on this, I now
22 turn the presentation over to Mr.
23 Francic.

24 MR. FRANCIC: Good morning,
25 Chairman, Board Members, John Francic

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1 with ABS Consulting here to report the

2 annual certification for Margaritaville.

3 The inspectors, Jeff Boyle and Pete
4 Bullard did, on April 10th, attend the
5 riverboat Margaritaville, to conduct
6 inspection in accordance with the
7 alternate inspection program. The
8 inspectors reviewed code compliance
9 through safety, fire protection
10 measures, emergency lighting, egress
11 routes and conducted a fire drill.

12 There were no deficiencies issued.

13 Also to note to let you know that
14 they did their -- earlier this year they
15 did their hull exam, and everything was
16 fine with that. They used an ROV, and
17 so I remember previous that y'all were
18 kind of curious how they were going to
19 get underneath the vessel -- the barge
20 portion of it, but everything turned out
21 good.

22 The 2018 annual survey as required
23 by the Louisiana Gaming Control Board is
24 complete and presents no safety concerns
25 to its patrons and employees onboard the

37

1 riverboat. It is the recommendation of
2 ABS Consulting that Margaritaville be
3 issued a Certificate of Compliance.

4 MS. LANDRY: We now present these

5 findings to the Board and request that
6 upon the Board's accepting the report
7 submitted by ABSC, you will move for the
8 issuance of Margaritaville Resort
9 Casino's Certificate of Compliance.

10 CHAIRMAN JONES: Board Members, are
11 there any questions with respect to the
12 Certificate of Compliance for
13 Margaritaville? Do you have a question
14 or a motion?

15 Motion by Mr. Jackson, Mr. Singleton
16 seconds.

17 Any objection? [No response.]

18 Without objection, the Certificate is
19 issued. Thank you.

20 B. Consideration of Certificate of Compliance for
21 the Alternate Riverboat Inspection of the
22 gaming vessel of Catfish Queen Partnership in
23 Commendam d/b/a Belle of Baton Rouge - No.
24 R011700009

25 CHAIRMAN JONES: We'll now move to

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1 Consideration of Certificate of
2 Compliance for Alternate Riverboat
3 Inspection of the gaming vessel Catfish
4 Queen Partnership in Commendam doing
5 business as Belle of Baton Rouge, No.
6 R011700009.

7 MS. LANDRY: Mr. Chairman and Board

8 Members, Assistant Attorney General
9 Lisha Landry and John Francic of ABSC
10 here again in the matter of the issuance
11 of the Certificate of Compliance to
12 Catfish Queen Partnership in Commendam
13 doing business as Belle of Baton Rouge
14 Casino.

15 On March 6th, 2018, ABSC began the
16 inspection process for the approval of
17 the Belle of Baton Rouge Casino's
18 Certificate of Compliance. For more on
19 this, I now turn the presentation over
20 to Mr. Francic.

21 MR. FRANCIC: Chairman, Board
22 Members, John Francic with ABS
23 Consulting here to report the annual
24 certification for Belle of Baton Rouge
25 Casino. The inspectors, Doug Chapman

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1 and Pete Bullard did, on March 6th,
2 attend the riverboat Argosy III to
3 conduct the annual inspection in
4 accordance with the alternate inspection
5 program.

6 The inspectors reviewed fire
7 protection, life-saving equipment,
8 egress routes, mooring system and
9 conducted a fire drill. The
10 deficiencies are noted on page six and

11 seven in your report. A follow-up to
12 the deficient items was done on the 26th
13 and 30th of April. All were found
14 corrected.

15 The 2018 annual survey as required
16 by the Louisiana Gaming Control Board is
17 complete and presents no safety concerns
18 to its patrons or employees onboard the
19 riverboat. It is the recommendation of
20 ABS Consulting that the Belle of Baton
21 Rouge be issued a Certificate of
22 Compliance.

23 MS. LANDRY: We now present these
24 findings to the Board and request that
25 upon the Board's accepting the report

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1 submitted by ABSC, you will move for the
2 issuance of Belle of Baton Rouge
3 Casino's Certificate of Compliance.

4 CHAIRMAN JONES: Any questions for
5 ABSC or the Attorney General's Office
6 with respect to Belle of Baton Rouge?
7 There are no questions.

8 Mr. Singleton, and Miss Berry
9 seconds.

10 Any objection? [No response.]
11 Without objection, the motion carries
12 and the certificate is issued.

13 MS. LANDRY: Thank you.

14 VIII. CONSIDERATION OF THE FOLLOWING APPEAL

15 CHAIRMAN JONES: And we now have an
16 appeal, Terence Winborne doing business
17 as Winborne Gaming, No. 5400614822.

18 Is Mr. Winborne or someone
19 representing Mr. Winborne here? Would
20 you have a seat at the table please,
21 sir.

22 Good morning and welcome to the
23 Gaming Control Board meeting. We
24 already have all the evidence that's
25 been introduced in the case as far as

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1 our record. Everyone on the Board has
2 reviewed the record. You can't
3 introduce anything new today. If it's
4 not already in the record, you simply
5 can't bring it to us today. All we can
6 do is base the decision with respect to
7 the information that's already available
8 to us, and you'll have the opportunity
9 first to explain to us why the -- the
10 hearing officer got it wrong.

11 MR. WINBORNE: It wasn't necessarily
12 that they got it wrong. It's -- I've
13 had a pretty rough couple years,
14 accidents and family issues came up, and
15 I'm behind on a lot of things. It's not
16 just this. I am working on making

17 things getter, if you will.

18 We have some things in place already
19 that are going to take care of the
20 issues on what I'm behind on. I still
21 want to take care of that. I do want to
22 keep the license. I do want to keep
23 going with it. I worked real hard to
24 get, you know, this thing several years
25 ago, and I hate to see it, you know,

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1 just go by the wayside.

2 I would request that if you could
3 give me some -- you know, the end of the
4 month, I could show you a whole lot
5 better picture.

6 CHAIRMAN JONES: We'll hear from the
7 State -- from the Division. Thank you.

8 MR. PICOU: Good morning, Chairman
9 Jones and Board Members. I'm Assistant
10 Attorney General Charlie Picou. I'm
11 here in the matter of the appeal of
12 Terrence Winborne doing business as
13 Winborne Gaming.

14 On or about January 10th, 2017, the
15 Division sent a video gaming advisory
16 notice to alert the licensee of the
17 necessity to -- submitting the required
18 annual forms and fees by July 1st. It
19 has now been more than 16 months since

20 that advisory notice went out to the
21 licensee, and the licensee has yet to
22 submit any forms or fees to the
23 Division -- to the State.

24 On February 6th, 2018, an
25 administrative hearing was conducted.

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1 At that hearing, the Division presented
2 evidence and testimony which proved that
3 the licensee did, in fact, fail to
4 submit the annual forms and fees by
5 July 1st and had not -- again had not
6 submitted his annual forms and fees by
7 the time of the hearing. Therefore
8 Hearing Officer Reynolds did find that
9 the licensee was -- had not submitted
10 his annual forms and fees timely and
11 therefore ordered a revocation of the
12 Type VI video draw poker gaming license
13 issued to Terrence Winborne doing
14 business as Winborne Gaming.

15 Louisiana Gaming law states that a
16 license may be suspended or revoked if
17 the licensee failed to submit the annual
18 forms and fees by August 31st.
19 Therefore, the hearing officer's
20 decision to revoke the license is
21 consistent with the law and the previous
22 cases of this type. The licensee did

23 not submit the annual forms and fees by
24 August 31st, nor did he submit it at the
25 time of the appeal, nor does he have it

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1 with him here today. He has had ample
2 time and opportunity to submit the
3 annual forms and fees. As such, the
4 licensee remains noncompliant and
5 disqualifies him from holding a gaming
6 license under the laws of this state.

7 Based on the aforementioned reasons,
8 the Division respectfully requests that
9 this honorable board affirm the hearing
10 officer's decision to revoke the Type VI
11 video draw poker license issued to
12 Terrence Winborne doing business as
13 Windborne Gaming.

14 CHAIRMAN JONES: Mr. Winborne, I
15 neglected to have you introduce yourself
16 for the record -- your name and your
17 address, please, sir.

18 MR. WINBORNE: Terence Winborne, 413
19 Huggins Lane, Gilbert, Louisiana,
20 representing Winborne Gaming.

21 CHAIRMAN JONES: Thank you.

22 Board members, are there any
23 questions? [No response.]

24 Mr. Winborne, I know it's difficult
25 trying to keep up with everything you

1 have to do with respect to the state and
2 licensing, but when you entered into
3 this and were successful at getting your
4 license, you signed documents
5 acknowledging what your responsibilities
6 were. And the Board is constrained by
7 administrative law. We're constrained
8 by the law. This is something that
9 started January 2017, not January 2018.

10 And as it proceeded through, you missed
11 several opportunities to resolve your
12 problem; and for that reason, the
13 administrative law judge found that --
14 that the action by the state was
15 sufficient, that it was legal, and I'm
16 going to move that the hearing officer's
17 decision be affirmed.

18 Do I have a second?

19 MR. JACKSON: Second.

20 CHAIRMAN JONES: Any objection? [No
21 response.]

22 Without objection, the decision
23 stands. I'm sorry. Thank you very much
24 for coming.

25 MR. WINBORNE: Thank you.

1 IX. ADJOURNMENT

2 CHAIRMAN JONES: There being no

3 further business before the Board on the
4 agenda, I'll entertain a motion to
5 adjourn by Miss Berry and Mr. Jackson.

6 Any objection? [No response.]

7 Without objection, we stand adjourned.

8 Thank you.

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1 REPORTER'S PAGE

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3 I, SHELLEY PAROLA, Certified Shorthand

4 Reporter, in and for the State of Louisiana, the

5 officer before whom this sworn testimony was

6 taken, do hereby state:

7 That due to the spontaneous discourse of this
8 proceeding, where necessary, dashes (--) have been
9 used to indicate pauses, changes in thought,
10 and/or talkovers; that same is the proper method
11 for a Court Reporter's transcription of a
12 proceeding, and that dashes (--) do not indicate
13 that words or phrases have been left out of this
14 transcript;

15 That any words and/or names which could not
16 be verified through reference materials have been
17 denoted with the word "(phonetic)."

18

19

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21

22

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24 SHELLEY PAROLA

Certified Court Reporter #96001

25 Registered Professional Reporter

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1 STATE OF LOUISIANA

2 PARISH OF EAST BATON ROUGE

3 I, Shelley G. Parola, Certified Court

4 Reporter and Registered Professional Reporter, do

5 hereby certify that the foregoing is a true and

6 correct transcript of the proceedings on May 14,

7 2018, as taken by me in Stenographic machine

8 shorthand, complemented with magnetic tape
9 recording, and thereafter reduced to transcript,
10 to the best of my ability and understanding, using
11 Computer-Aided Transcription.

12 I further certify that I am not an
13 attorney or counsel for any of the parties, that I
14 am neither related to nor employed by any attorney
15 or counsel connected with this action, and that I
16 have no financial interest in the outcome of this
17 action.

18 Baton Rouge, Louisiana, this 9th day of
19 July, 2018.

20

21

22

SHELLEY G. PAROLA, CCR, RPR

CERTIFICATE NO. 96001

23

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