

**REPORT ON RACETRACK CASINO LICENSEE
COMPLIANCE WITH STATUTORY EMPLOYMENT AND
PROCUREMENT CONDITIONS
2nd QUARTER 2003**

Prepared for August 19, 2003 Board Meeting

This report illustrates racetrack gaming licensees' compliance with statutory employment and procurement conditions.

Applicants who were awarded licenses to operate racetrack casinos in the state are required by statute to meet specific economic development provisions under the Louisiana Pari-mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act, La. R.S. 27:351 *et seq.*

La. R.S. 27:352 provides:

The legislature hereby finds and declares it to be the public policy of this state that:

(1) Pari-mutuel wagering facilities which offer live horse racing have historically made great contributions to the economic development of the state at large and particularly the agricultural and horse breeding industries.

(2) Recent legalization of additional forms of wagering other than pari-mutuel wagering on horse racing such as lottery, riverboat gaming, and land based casino gaming have, and will continue to have, a substantial negative and detrimental effect upon live horse racing as well as the thoroughbred and quarter horse industries in general.

(3) Authorization of certain specified gaming activities, such as the competitive offering of slot machine gaming at specifically defined eligible live racing facilities, will revitalize and rehabilitate those facilities within strategically located geographic areas of the state, and will further result in overall economic development and additional revenues to the state and parishes where those facilities are located.

La. R.S. 33:9551 (F), La. R.S. 33:9561 (F) and La. R.S. 33:9571 provide in pertinent part:

Louisiana preference. In purchasing or contracting for goods and services, the licensed eligible facility shall give preference and priority to Louisiana residents, laborers, vendors, and suppliers except where not reasonably possible to do so without added expense, substantial inconvenience, or sacrifice in operational efficiency. In considering applicants for employment, the licensed eligible facility shall give preference and priority to Louisiana residents, and no less than eighty percent of the persons employed by the licensed eligible facility must have been residents of the state for at least one year immediately prior to employment.

The Pari-mutuel Live Racing Facility Economic Redevelopment and Gaming Control Act provides for gaming at three live horseracing facilities in Louisiana: Delta Downs, Evangeline Downs and Louisiana Downs. Currently, two racetrack casinos, Delta Downs in Calcasieu Parish and Harrah's Louisiana Downs in Bossier Parish are operating in the state.

This report is taken from figures reported by Delta Downs for the entire reporting quarter and by Louisiana Downs from May 21, 2003 through June 30, 2003. The combined total for both racetrack casinos shows that 1340 people were employed by the industry for the second calendar quarter of 2003. Of that number 1123 were Louisiana residents, 469 were minorities and 775 were women.

1. **BOYD RACING, LLC**
(d/b/a Delta Downs Racetrack and Casino)

Date of Application: June 19, 2001
License Granted: October 30, 2001
Commencement of Operations: February 12, 2002

A. Statutory Conditions:

i. Employment Conditions:

a. Hire 80% Louisiana residents

ii. Procurement Conditions:

Louisiana Preference

Actual Results Per Quarterly Reports Supplied By Boyd Racing, L.L.C.

i. Employment Results:

Total	1049
Louisiana	80.2% (841)
Minority	29.6% (311)
Women	59.0% (619)

Employment	Statutory Conditions	Q 3 (2002)	Q 4 (2002)	Q 1 (2003)	Q 2 (2003)
Total		918	983	1,018	1049
Louisiana Residents	80%	75.5% 684	78.3% 770	78.1% 795	80.2% 841
Minority	None	27.4% 250	27.9% 274	30.4% 309	29.6% 311
Women	None	59.3% 541	57.6% 566	57.4% 584	59.0% 619

ii. Procurement Results:

Louisiana	63.4%
Minority	8.0%
Women	12.5%

Procurement	Statutory Conditions	Q 3 (2002)	Q 4 (2002)	Q1 (2003)	Q 2 (2003)
Louisiana Businesses	Louisiana Preference	56.3%	63.2%	58.4%	63.4%
Minority Owned Businesses	None	4.8%	7.8%	4.0%	8.0%
Women Owned Businesses	None	11.3%	11.3%	18.2%	12.5%

**2. HARRAH'S BOSSIER CITY INVESTMENT COMPANY, L.L.C.
(d/b/a Harrah's Louisiana Downs)**

Date of Application: December 20, 2002
License Granted: February 18, 2003
Commencement of Operations: May 21, 2003

A. Statutory Conditions:

i. Employment Conditions:

a. Hire Louisiana residents

ii. Procurement Conditions:

Louisiana Preference

**Actual Results Per Quarterly Reports Supplied By
Harrah's Bossier City Investment Company, L.L.C.
d/b/a Harrah's Louisiana Downs**

i. Employment Results:

Total	291
Louisiana	96.9% (282)
Minority	54.3% (158)
Women	53.6% (156)

Employment	Statutory Conditions				Q 2 (2003)
Total					291
Louisiana Residents	80%				96.9% 282
Minority	None				54.3% 158
Women	None				53.6% 156

ii. Procurement Results:

Louisiana	45.26%
Minority	12.83%
Women	10.85%

Procurement	Statutory Conditions				Q 2 (2003)
Louisiana Businesses	Louisiana Preference				45.26%
Minority Owned Businesses	None				12.83%
Women Owned Businesses	None				10.85%