

**REPORT ON RACETRACK CASINO LICENSEE
COMPLIANCE WITH STATUTORY EMPLOYMENT AND
PROCUREMENT CONDITIONS
3RD QUARTER 2003**

Prepared for November 18, 2003 Board Meeting

Applicants who were granted 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.*

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

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 facilities 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 facilities 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 Act as amended and reenacted by Senate Bill 828 of the Regular Session, 2003, provides for gaming at four live horseracing facilities in Louisiana: Delta Downs in Calcasieu Parish, Evangeline Downs in St. Landry Parish, The Fairgrounds in Orleans Parish and Louisiana Downs in Bossier Parish. Currently, two racetrack casinos, Delta Downs in Calcasieu Parish and Harrah's Louisiana Downs in Caddo Parish, are in operation.

This report is taken from figures reported by two operating racetrack casinos to the Louisiana Gaming Control Board for the third calendar quarter of 2003. Approximately 1,299 people were employed by the industry for the third calendar quarter of 2003. Of that number 1,092 were Louisiana residents, 454 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: January 13, 2002
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	1,012
Louisiana	80.5% (815)
Minority	29.8% (302)
Women	61.9% (626)

Employment	Statutory Conditions	Q 4 (2002)	Q 1 (2003)	Q 2 (2003)	Q 3 (2003)	Average
Total		983	1,018	1,049	1,012	1016
Louisiana Residents	80%	78.3% 770	78.1% 795	80.2% 841	80.5% 815	79.2% 805
Minority	None	27.9% 274	30.4% 309	29.6% 311	29.8% 302	29.4% 299
Women	None	57.6% 566	57.4% 584	59.0% 619	61.9% 626	58.9% 599

ii. Procurement Results:

Louisiana	58.3%
Minority	9.0%
Women	13.9%

Procurement	Statutory Conditions	Q 4 (2002)	Q 1 (2003)	Q2 (2003)	Q 3 (2003)	Average
Louisiana Businesses	Louisiana Preference	63.2%	58.4%	63.4%	58.3%	60.8%
Minority Owned Businesses	None	7.8%	4.0%	8.0%	9.0%	7.2%
Women Owned Businesses	None	11.3%	18.2%	12.5%	13.9%	13.9%

**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	287
Louisiana	96.5% (277)
Minority	53.0% (152)
Women	51.9% (149)

Employment	Statutory Conditions			Q 2 (2003)	Q 3 (2003)	Average
Total				291	287	
Louisiana Residents	80%			96.9% 282	96.5% 277	
Minority	None			54.3% 158	53.0% 152	
Women	None			53.6% 156	51.9% 149	

ii. Procurement Results:

Louisiana	45.0%
Minority	15.3 %
Women	12.8%

Procurement	Statutory Conditions			Q 2 (2003)	Q 3 (2003)	Average
Louisiana Businesses	Louisiana Preference			45.3%	45.0%	
Minority Owned Businesses	None			12.8%	15.3%	
Women Owned Businesses	None			10.6%	12.8%	