

**REPORT ON RACETRACK CASINO LICENSEE
COMPLIANCE WITH STATUTORY EMPLOYMENT AND
PROCUREMENT CONDITIONS
3rd QUARTER 2004**

Prepared for November 16, 2004 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 and voluntary employment and procurement goals as detailed in each licensee's Good Faith Plan on file with the Louisiana Gaming Control Board.

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.

Act 352 of the 2003 Regular Session of the Louisiana Legislature amended La. R.S. 27:353(4) to provide for gaming at four live horseracing facilities in Louisiana: Delta Downs, Evangeline Downs, The Fairgrounds and Louisiana Downs. Currently three racetrack casinos, Delta Downs in Calcasieu Parish, Harrah's Louisiana Downs in Caddo Parish, and The Old Evangeline Downs in St. Landry Parish are in operation. The Act, by creating new statutory authority in La. R.S. 27:363(C), further provided that each licensee must have in place a Good Faith Plan for minority hiring and procurement.

This report is taken from figures reported by the three operating racetrack casinos to the Louisiana Gaming Control Board for the 3rd calendar quarter of 2004. Approximately 1,884 people were employed by the industry. Of that number 1,566 were Louisiana residents, 755 were minorities and 1,025 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.
(d/b/a Delta Downs Racetrack and Casino)

i. Voluntary Employment Goals

Minority	25%
Women	51%

ii. Employment Results:

Total	1,057
Louisiana	80.7% (748)
Minority	29.8% (276)
Women	60.6% (562)

Employment	Statutory Conditions	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Q 3 (2004)
Total		1,057	989	998	1,057
Louisiana Residents	80%	81.5% 861	81.7% 808	81.8% 816	80.7% 748
Minority	None	30.6% 323	30.5% 302	30.2% 301	29.8% 276
Women	None	61.1% 646	60.5% 598	59.4% 593	60.6% 562

i. Voluntary Procurement Goals:

Minority	5.0 %
Women	10%

ii. Procurement Results:

Louisiana	65.0%
Minority	3.0%
Women	17.6%

Procurement	Statutory Conditions	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Q 3 (2004)
Louisiana Businesses	Louisiana Preference	64.1%	57.8%	68.1%	65.0%
Minority Owned Businesses	None	3.5%	2.3%	2.3%	3.0%
Women Owned Businesses	None	19.2%	15.7%	13.6%	17.6%

**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 80% 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. Voluntary Employment Goals:

Minority	40%
Women	60%

ii. Employment Results:

Total	320
Louisiana	97.2% (311)
Minority	47.2% (151)
Women	56.0% (178)

Employment	Statutory Conditions	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Q 3 (2004)
Total		265	307	329	320
Louisiana Residents	80%	96.2% 255	96.1% 295	97.2% 315	97.2% 311
Minority	None	50.2% 133	78.8% 240	77.8% 252	47.2% 151
Women	None	50.6% 134	53.1% 163	55.9% 181	56.0% 178

i. Voluntary Procurement Goals:

Minority	6.0%
Women	6.0%

ii. Procurement Results:

Louisiana	42.1%
Minority	9.0%
Women	6.6%

Procurement	Statutory Conditions	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Q 3 (2004)
Louisiana Businesses	Louisiana Preference	46.3%	36.8%	44.9%	42.1%
Minority Owned Businesses	None	9.3%	5.3%	8.5%	9.0%
Women Owned Businesses	None	6.7%	6.1%	9.3%	6.6%

3. THE OLD EVANGELINE DOWNS, LLC

Date of Application: July 12, 2002
License Granted: January 21, 2003
Commencement of Operations: December 19, 2003

A. Statutory Conditions:

i. Employment Conditions:

a. Hire 80% Louisiana residents

ii. Procurement Conditions:

Louisiana Preference

**Actual Results Per Quarterly Reports Supplied By
The Old Evangeline Downs, LLC**

i. Voluntary Employment Goals:

Minority	35%
Women	35%

ii. Employment Results:

Total	507
Louisiana	100% (507)
Minority	64.7% (328)
Women	60.0% (305)

Employment	Statutory Conditions	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Q 3 (2004)
Total		687	664	596	507
Louisiana Residents	80%	99% 680	99% 655	100% 596	100% 507
Minority	None	59% 402	61% 406	62.6% 373	64.7% 328
Women	None	63% 425	63% 416	42% 250	60.0% 305

i. Voluntary Procurement Goals:

Minority 5.0%
 Women 5.0%

ii. Procurement Results:

Louisiana 54%
 Minority .11%
 Women 4.7%

Procurement	Statutory Conditions	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Q 3 (2004)
Louisiana Businesses	Louisiana Preference	27%	56.5%	46.9%	54%
Minority Owned Businesses	None	.01%	.09%	.0017%	.11%
Women Owned Businesses	None	.02%	.02%	10.5%	4.7%