

**REPORT ON RACETRACK CASINO LICENSEE
COMPLIANCE WITH STATUTORY EMPLOYMENT AND
PROCUREMENT CONDITIONS
2nd QUARTER 2004**

Prepared for August 17, 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.

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 quarterhorse 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, 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.

This report is taken from figures reported by three operating racetrack casinos to the Louisiana Gaming Control Board for the 2nd calendar quarter of 2004. Approximately 1,923 people were employed by the industry. Of that number 1,727 were Louisiana residents, 831 were minorities and 1,024 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. Employment Results:

Total	998
Louisiana	81.8% (816)
Minority	30.2% (301)
Women	59.4% (593)

Employment	Statutory Conditions	Q 3 (2003)	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Average
Total		1,012	1,057	989	998	1,014
Louisiana Residents	80%	80.5% 815	81.5% 861	81.7% 808	81.8% 816	81.4%
Minority	None	29.8% 302	30.6% 323	30.5% 302	30.2% 301	30.3%
Women	None	61.9% 626	61.1% 646	60.5% 598	59.4% 593	60.7%

ii. Procurement Results:

Louisiana	68.1%
Minority	2.3%
Women	13.6%

Procurement	Statutory Conditions	Q 3 (2003)	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Average
Louisiana Businesses	Louisiana Preference	58.3%	64.1%	57.8%	68.1%	62.1%
Minority Owned Businesses	None	9.0%	3.5%	2.3%	2.3%	4.3%
Women Owned Businesses	None	13.9%	19.2%	15.7%	13.6%	15.6%

**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. Employment Results:

Total	329
Louisiana	97.2% (315)
Minority	77.8% (252)
Women	55.9% (181)

Employment	Statutory Conditions	Q 3 (2003)	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Average
Total		287	265	307	329	297
Louisiana Residents	80%	96.5% 277	96.2% 255	96.1% 295	97.2% 315	96.2%
Minority	None	53.0% 152	50.2% 133	78.8% 240	77.8% 252	65%
Women	None	51.9% 149	50.6% 134	53.1% 163	55.9% 181	53%

ii. Procurement Results:

Louisiana	44.9%
Minority	8.5%
Women	9.3%

Procurement	Statutory Conditions	Q 3 (2003)	Q 4 (2003)	Q 1 (2004)	Q 2 (2004)	Average
Louisiana Businesses	Louisiana Preference	45.0%	46.3%	36.8%	44.9%	43.1%
Minority Owned Businesses	None	15.3%	9.3%	5.3%	8.5%	9.5%
Women Owned Businesses	None	12.8%	6.7%	6.1%	9.3%	6.5%

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. Employment Results:

Total	596
Louisiana	100% (596)
Minority	62.6% (373)
Women	42% (250)

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

ii. Procurement Results:

Louisiana	46.9%
Minority	.0017%
Women	10.5%

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