



State of Louisiana
RLC Gaming Task Force

JOHN BEL EDWARDS
GOVERNOR

RONNIE JONES
CHAIRMAN

April 30, 2020

Pursuant to orders issued by the Louisiana Gaming Control Board, casino and video draw poker operations were suspended at midnight on March 16, 2020 in an effort to slow the spread of the COVID-19 virus (and now extended through midnight May 15, 2020). As a result, 15 riverboat casinos, the landbased casino, four slots at tracks facilities, and 12,800 video poker devices at 1600 locations ceased to operate. Charitable gaming activities had been suspended even earlier on March 13.

The Louisiana State Police estimates that when the closure period of March 17 through the end of April is compared to the same period last year, the decrease in gaming revenue from FY 18/19 will be 17.1%. Gross gaming revenue will likely be down \$443.3M and fees to the state will be down nearly \$100M. But the loss of revenue to the operators and fees due the state are only two aspects of a much larger loss though more difficult to precisely estimate.

Aside from the thousands of employees who were forced into unemployment from jobs tied directly to gaming operations, there are thousands of others whose businesses otherwise benefited from the gaming industry. The result at the local community level has been profound. Every gaming operator is dependent on a web of local service and commodity providers to supply everything from facility maintenance and grounds keeping to food and beverage products. The deleterious impact of closures has rippled into every corner of the state. Businesses large and small have felt that impact.

Few could argue that the gaming industry has matured in Louisiana. But unlike other industries it has done so despite the fact that it is the most hyper-regulated business in the state. No other industry in Louisiana is required to maintain specific minimum levels of Louisiana and minority employment or required to purchase goods and services from Louisiana and minority providers, all worthy goals but nonetheless not requirements found in other less restricted business sectors. Those restrictions notwithstanding, the industry has invested and reinvested millions of dollars in capital projects and improvements—all without the benefit of generous tax breaks and growth incentives provided other industries and businesses. Riverboats alone have invested more than \$4B in construction and improvements since 1992.

Despite the challenges and some shrinkage in employee numbers over the years, gaming remains a huge employer in the state. And the majority of those jobs have been filled with Louisiana residents. Then came COVID-19. More than 12,000 casino employees were immediately impacted by the closures. Another 14,000 video poker workers were similarly displaced from jobs. The furloughs and terminations spared few in the industry. From large casino operations with thousands of employees to the mom- and pop-owned lounge down the street, the job losses have been painful and unprecedented. With the shut down now entering a seventh week many of those jobs and the lives they are tied to are on hold. A large percentage of those who several weeks ago were gainfully employed and paying taxes now find themselves filing for unemployment and other benefits in order to provide for their families until they can be put back to work.

Regrettably many policy makers in the state have been slow to recognize that gaming is a major source of revenue for Louisiana government services and now surpasses fees and taxes from the oil and gas industry. Moreover, the tax rates imposed on all forms of state licensed gaming are unparalleled when compared to other businesses. If proceeds from the state lottery are included, the total contribution to the state's budget is nearly \$1B each fiscal year. Recommendations for legislative policy changes to address competitive disadvantages to the Louisiana gaming industry will be part of future Task Force deliberations and discussions. Whatever the reluctance to discuss changes to gaming policy may have preceded this pandemic, it would seem that change must come if the state is to provide a more resilient and robust gaming industry. It is possible that changes could expand employment in the state and could substantially expand revenues if embraced and enacted. But those discussions focused on long term resiliency are for another day. Our immediate obligation and charge from the RLC is to address the current crisis in the gaming industry.

No one on this Task Force suggests that public health concerns should be diminished or dismissed in considering when to resume gaming operations. The conditions under which gaming would operate in the first phase of reopening are clearly weighted in favor of protecting the health of employees and patrons and suppressing the spread of the virus. The Task Force believes that in making the recommendation to lift the suspension of operations for casinos, video poker and charitable gaming it is doing so in a conservative and measured way. Indeed, it's been said that no other business authorized to reopen subject to state imposed restrictions will do a better job than a gaming operation. For example, we will have to rely on good faith and voluntary compliance that restaurants will require social distancing and conform to increased sanitization procedures when allowed to reopen. In the gaming industry the restrictions won't be just good faith, they will be scrutinized not only by gaming compliance personnel but with oversight by the Louisiana State Police and the Gaming Control Board. If the RLC is looking for the best metric for achieving compliance with CDC guidelines during this public health crisis, the Task Force is of the opinion that they need look no further than the gaming industry.

The members of the Task Force therefore urge and request that the RLC and the governor authorize the resumption of gaming activities in the state when they believe it is safe to do so and subject to the strict conditions offered by this group.

We are happy to make ourselves available to the Commission for questions or further discussion and appreciate your acknowledgement of gaming as a legitimate Louisiana industry as evidenced by creation of this task force.

RLC GAMING TASK FORCE MEMBERS

Ronnie Jones, Chairman, Louisiana Gaming Control Board

Dan Real, Vice Chairman, General Manager, Harrahs' Casino, Regional President-South

Wade Duty, Executive Director, Louisiana Casino Association

Vincent Schwartz, Senior Vice President, Boyd Gaming

Barron Fuller, Senior Vice President of Operations, Eldorado Resorts

Barry Regula, Senior VP and General Manager Margaritaville, Penn National Gaming

David Sickey, Tribal Chairman, Coushatta Tribe of Louisiana

Earl Barbry, II, Acting Tribal Administrator, Tunica-Biloxi Tribe of Louisiana

Stan Guidroz, Vice President Southern Operations, Jacobs Entertainment

Trey Tantillo, Little Deuces, Inc.

Arthur Lawson, Metro Gaming and Amusement

Rosanne Thompson, Vice President of Human Resources, Golden Nugget Lake Charles

Trudy Smith, LGCB Staff, Ex Officio

Natalie Thurman, LGCB Staff, Ex Officio

Chris Hebert, Counsel, Attorney General, Ex Officio

Major Chuck McNeal, LSP Gaming Division, Ex Officio

Gaming Task Force Recommendation

That consistent with the federal criteria as promulgated in the Guidelines for Opening Up America Again, that gaming operations in Louisiana be authorized to open for business subject to the following conditions.

In addition to other documents which might be required for reopening, each facility must submit a plan outlining in detail how each licensee will ensure compliance with the core requirements as adopted by the RLC Gaming Task Force to include at minimum policies/procedures/protocols which address:

Patron density, capacity control and social distancing

- The landbased casino, the 15 riverboat licensees, the four pari-mutuel track slot facilities, and charitable gaming licensees shall establish and enforce a maximum capacity of 50% of authorized occupancy of gaming space including employees. Individual properties can be more restrictive with respect to capacity as may be necessary to comply with CDC guidelines¹ on social distancing.
- Video poker truckstops shall establish and enforce a maximum capacity of 50% of authorized occupancy of gaming space including employees. Individual facilities can be more restrictive with respect to capacity as may be necessary to comply with CDC guidelines on social distancing.
- All gaming establishments will practice and enforce CDC social distancing guidelines in all areas of each property including, as appropriate, designated gaming area, lobbies, waiting areas, food and beverage facilities, customer queueing areas, all amenity areas and all back of house areas. Compliance shall be achieved through signage, marked areas on the floors, team interaction with customers and any other measures which assure compliance.
- To the extent possible and consistent with the spirit of the CDC social distancing guidelines make adjustments in the gaming area to force social distancing. This might be possible to achieve through the use of clear Plexiglas dividers between gaming positions but such dividers should be of sufficient size as to protect adjacent gaming positions and subject to approval by public health officials. The use of such panels would not be permissible if, in the opinion of State Police, they interfere with established security or surveillance protocols. Operators may also achieve social distancing by disabling or restricting play on electronic devices, removing some chairs at gaming tables, or making other adjustments in table game configurations to provide for customer spacing.

Patron screening/protection

- Each gaming establishment shall have posted at gaming entry points the most currently available CDC checklist of COVID-19 symptoms and shall ask each visitor to read the list and if there is an affirmative answer to any of the questions provide additional screening and follow up appropriate to the situation.
- Gaming employees should ask customers upon being screened to sanitize their hands prior to entering the gaming area.
- Licensees shall acquire equipment which can be deployed to provide non-invasive temperature checks for visitors and shall establish both an acceptable temperature for admittance and procedures for managing patrons whose temperature exceeds the maximum.
- Licensees shall permit admission to any customer who wishes to wear a protective mask which covers the nose and mouth subject to any restrictions set by the LSP Gaming Division.
- Licensees should encourage customers to wear masks when on the gaming floor through personal contact at the initial screening, property signage and promotional marketing material.

¹ All references to CDC guidelines in this document refer to the most up to date guidelines as promulgated by the Centers for Disease Control.

Health, safety and sanitation

- All employees, to include contract employees and third party providers will be screened before being permitted into a casino or charitable gaming facility or the gaming area of a video poker truckstop. Such screening shall include a check of employee or service provider temperature.
- All employees shall be provided increased training about COVID-19 risk factors, enhanced sanitation procedures and requirements and social distancing guidelines in accordance with guidance from the CDC.
- All employees shall be provided with a facemask and shall be required to use a facemask in any area open to the public.
- Enhanced cleaning and sanitation protocols shall be developed by each property including frequent and repetitive sanitation procedures in all public spaces. In particular employees shall regularly sanitize gaming devices, cage counters, gaming tables, dining surfaces and seating areas, escalator and stair handles and any other area exposed to high volumes of patron interaction likely to offer a source of infection.
- Specific protocols should address the increased level of sanitation required for restroom facilities.
- Facilities will significantly increase the deployment of personal sanitation stations or kiosks for guests and employees and customers should be encouraged to wipe down device surfaces when play has ceased.