

EXHIBIT C2

APPROVED DECEMBER 10, 2019

MINUTES
SENATE COMMITTEE ON CITY, COUNTY, AND LOCAL AFFAIRS
HOUSE COMMITTEE ON CITY, COUNTY, AND LOCAL AFFAIRS
MEETING JOINTLY

Friday, September 27, 2019

The Senate and House Interim Committees on City, County, and Local Affairs met Friday, September 27, 2019, in the Reynolds Center Room 205, Southern Arkansas University, Magnolia, Arkansas, during the Arkansas Legislative Black Caucus Annual Retreat.

Committee members present: Senators Linda Chesterfield and Joyce Elliott. Representatives Fredrick Love, Vice-Chair, David Fielding, Monte Hodges, Milton Nicks, and Matthew Shepherd.

Other members present: Representatives Fred Allen, Kenneth Ferguson, Vivian Flowers, Don Glover, and Jay Richardson.

Opening Comments by Committee Chairs

Representative Love recognized **Solomon Graves, Chief of Staff and Liaison, Arkansas Department of Correction (ADC)**, who accepted Representative Love's request to discuss reimbursement rates for state inmates due to the inability of the Association of Arkansas Counties (AAC) to send a representative to the meeting. Mr. Graves gave an overview and discussed issues surrounding the number of state inmates held in county jails, including:

- 15,940 inmates are being held within the Division of Correction (DOC)
- 1,651 inmates are being held within the Department of Community Corrections (DCC)
- 2,000 inmates are being held in county jails
- the jail backup of state inmates typically focuses on inmates scheduled to be sent to the ADC
- a significant number of states inmates are housed in DCC centers
- 20 years ago the state began contracting with the JFA Institute, a research firm from Colorado Springs, Colorado, to perform a population projection
- a report released by the institute in June, 2018, projected a population of 20,000 inmates by the year 2028, compared to the current population of 15,400
- the ADC system needs an additional 2,000 beds
- in the Spring of 2015, the state inmate population in county jails was approaching 3,000, which was unsafe and unsustainable
- the ADC contracted with a for profit prison in Bowie County, Texas to house inmates from Arkansas to relieve the backup of inmates
- today, 336 inmates are housed in Texas
- 1,700 to 1,800 are housed in county jails

- legislation was passed in 2017 regarding the need for a regional jail to address the need for additional capacity to house inmates
- Bradley and Drew counties indicated an interest in a regional jail

Legislators discussed the daily rate reimbursement paid to the prison in Texas compared to the rate amount in Arkansas. The Texas prison is paid \$36.00 per day, per inmate, compared to \$30.00 per day, per inmate, for inmates held in county jails in Arkansas. Legislators discussed the disparity and issues in great detail.

Discussion Concerning Economic Impact of Casinos in Arkansas [Exhibit D]

Mr. Eric Jackson, Senior Vice President, Oaklawn Racing Casino Resort, Hot Springs, Arkansas, was recognized. Mr. Jackson stated Oaklawn Racing Casino Resort has been in business for 115 years. The facility is in its third expansion with its largest renovation of the grandstand building, barns, construction of a hotel, a multi-event center, a spa, additional parking, and expansion of its gaming facilities. Approximately 400-500 customer service employees will be hired over the next 18 months.

Mr. Jackson also stated the Oaklawn Foundation fund project within the community such as educational and youth programs, scholarships, and programs benefitting senior citizens in retirement communities. Hot Springs now has a Center on Aging with free health and wellness programs. The foundation began with a gift of \$1 million from Oaklawn and is sustained by a percentage of revenue from Oaklawn each year. In 2018, 125 scholarships were awarded bringing the total to 1,000 to-date.

Mr. Carlton Saffa, Chief Executive Officer, Saracen Casino, Pine Bluff, Arkansas, was recognized. Mr. Saffa stated a soft opening was held today with a 20,000 square foot gaming facility. Currently, 236 employees have been hired with a projected total of 1,100 employees. At least $\frac{3}{4}$ of the employees live in Pine Bluff, and 70% of the employees are African American, with 72% being female. Upon completion of the facility there will be a total investment of \$350 million, including a 547,000 square facility, hotel, spa, convention center, and gaming center. The casino's community outreach includes renovation of city buildings, parks, and parking lots. The casino has a program utilizing trained dogs, Belgian Malinois, that can sense a weapon within 2,000 yards. The dogs patrol the casino floor. Should a dog sense a weapon, the dog's handler will address the patron and ask them to leave the facility. The patron is allowed to return when no weapon is present. The Pine Bluff School Superintendent learned of the program and asked to use the dogs in the district schools. The casino has agreed to provide the dogs for on-demand inspections and a weekly walk through in the schools. The casino will build a fire, medic, and police complex to assist the city of Pine Bluff.

Ms. Neki Catran, Community Relations Manager, Southland Casino Racing, West Memphis, was recognized. He stated a new casino and hotel are being constructed with a total investment of \$250 million. The economic impact in the region over the past three years grew from \$123 million to \$148 million. Projections for 2019 total \$255 million. The casino's workforce includes 73% African American and 59% females. An additional 400 employees will be hired. Community outreach by the casino includes a \$100 million commitment to Arkansas State University Mid-South over a ten year period through 2021. A \$250,000 commitment to the East Arkansas Family Health Center and a partnership with the Baptist Crittenden Hospital to address a need for individuals who have had to travel out of state for cancer treatments.

There being no further business, the meeting adjourned at 11:30 a.m.