MEETING MINUTES FOR THE LOUISIANA SMALL BUSINESS AND ENTREPRENEURSHIP COUNCIL

HELD AT

PARK WELCOME CENTER

702 RIVER ROAD NORTH

BATON ROUGE, LOUISIANA

ON THE 5TH DAY OF NOVEMBER, 2019

COMMENCING AT 10:11 A.M.

REPORTED BY: ELICIA H. WOODWORTH, CCR

Board Appearances:

Mandi Mitchell – Assistant Secretary, LED LSBEC President and LED

Allison Clarke – Deputy Secretary, Office of GeauxBIZ at Louisiana Department of State

Kelisha Garrett – Executive Director, New Orleans Regional Black Chamber of Commerce

Bryan Greenwood – Associate Director, Louisiana Small Business Development Center

Kenny Anderson – Executive Director, Stephenson Entrepreneurship Institute

John Everett – Executive Vice President and Market President, Iberia Bank Baton Rouge

Edward "EJ" Krampe III – President & CEO, MacLaff, Inc.

Courtney Davis – CEO, Bart's Office Moving

Cassie Felder – Corporate Counsel, Swamp Dragon Hot Sauce

Alta Baker – President & CEO, Safe Haven Enterprises, LLC

Tanita Gilbert-Baker – President, EJES, Inc.

Angelica Rivera – President, Colmex Construction

Bill Sawyer – President & CEO, Sawyer Industrial Plastics, Inc.

E. René Soulé – Owner, E. René Soulé & Associates

Iam Tucker – President & CEO, ILSI Engineering

Staff Appearances:

Tatiana Bruce, Senior Program Manager, Community Competitiveness & Small Business Services

Camille Campbell, Business Development Officer, Community Competitiveness & Small Business Services

Mike Canty, Business Development Officer, Community Competitiveness & Small Business Services

Chris Cassagne, Assistant Director, Community Competitiveness & Small Business Services

James Chappell, Executive Director of Economic Competitiveness Group

Sonja Christophe, Manager, Special Projects for the Assistant Secretary

Stephanie Hartman, Director of Small Business Service Team, Community Competitiveness & Small Business Services

Darrell Johnson, Program Manager, Community Competitiveness & Small Business Services

Pattie Pipes, Administrative Assistant

Karl Schultz, Senior Manager, State Economic Competitiveness

Patrick Witty, Executive Director of Community Competitiveness & Small Business Services

MR. KRAMPE: Good morning, everyone. How are you doing this morning?

MR. SOULÉ: Who Dat?

MR. KRAMPE: Absolutely. We've got Saints winning; we got Tigers winning. Life is good. Thank you guys for driving in from everywhere you came from today, and hopefully we can put our heads together and see if we can't move the business climate in Louisiana forward.

MR. SOULÉ: Sounds like a plan.

MR. KRAMPE: Absolutely. If we can do a rollcall.

MS. CHRISTOPHE: Courtney Davis.

MS. DAVIS: Here.

MS. CHRISTOPHE: John Everett.

(No response.)

MS. CHRISTOPHE: Absent.

Cassie Felder.

MS. FELDER: Here.

MS. CHRISTOPHE: Bryan Goodwood (sic).

MS. MITCHELL: Greenwood.

MS. CHRISTOPHE: I'm sorry. I apologize.

MR. GREENWOOD: Here.

MS. CHRISTOPHE: E.J. Krampe.

MR. KRAMPE: Here.

MS. CHRISTOPHE: Bill Sawyer.
MR. SAWYER: Yo.
MS. CHRISTOPHE: Alta Baker.
MS. BAKER: Here.
MS. CHRISTOPHE: Kelisha Garret.
MS. GARRETT: Here.
MS. CHRISTOPHE: Tanita Baker.
MS. BAKER: Here.
MS. CHRISTOPHE: Richard Hayward.
(No response.)
MS. CHRISTOPHE: Mandi Mitchell.
MS. MITCHELL: Here.
MS. CHRISTOPHE: Iam Tucker.
MS. TUCKER: Here.
MS. CHRISTOPHE: Kenny Anderson.
MR. ANDERSON: Here.
MS. CHRISTOPHE: Allison Clarke.
MS. CLARKE: Here.
MS. CHRISTOPHE: Angelica River.
MS. RIVERA: Present.
MS. CHRISTOPHE: And E. René Soulé.
MR. SOULÉ: Here.
MR. KRAMPE: So today we're going to do something a little different from our last meeting. We're actually going to break out into groups and talk

about specific topics, and, of course, our illustrious President, Mandi, has us all broken out as we're going to move forward. But, first, we're going to hear from some folks from LED on the different topics that our groups are going to talk about today.

So without further ado.

MS. MITCHELL: Thank you, Mr. Chairman.

Good morning, everybody. Thank y'all for coming here on this wonderful, beautiful morning.

MR. SOULÉ: It is.

MS. MITCHELL: Is it November already?

MR. SOULÉ: It is that too.

MS. MITCHELL: Is anyone needing the WiFi? It's the Capital Park WiFi, and the password is here. It's CAPWC2017. So if anybody needs WiFi, we have it here, and it's free, compliments of our taxpayer dollars.

So we are going to -- what we discussed as staff at LED, just because we have so much experience working with boards and commissions that we didn't want this to be just another series of presenters coming before you and downloading you with too much information or information overload to where we are all overwhelmed and feel like we can't be productive. So we felt that this meeting today would be engaging if we broke out into groups to allow for deeper discussions on certain topics. And most everyone -- everyone got their first choice. There were a few we didn't hear from, so we volentold those folks, but we're, at the end of the day, we all want to be knowledgeable about the different topic areas that we have been asked to cover as a council.

So what we're going to do today is run through just some presentations of research by LED staff on these main topic areas of access to capital, occupational licensing and regulatory issues that impact small business. And so I have a staff member coming over with hard copies of each presentation for everybody, so fret not. So we're going to have that for you.

And first up, I will bring up Dr. James Chappell, who heads up LED's State Economic Competitiveness Team, and he will cover the access to capital topic. And it works. Here you go, James.

MR. CHAPPELL: Thank you.

Good morning.

MR. SOULÉ: Good morning.

MR. CHAPPELL: So I'm going to kind of pick up where I left off last time and talk a little bit about access to capital, which is obviously a very big deal for all small business, and these are purposely very high-level, really just trying to give everybody a good sense of the biggest topics out there, kind of the biggest things people are doing, and then we'll talk in the group when we get together to go a little further into detail if people have questions or thoughts.

So, one, so to kind of come back, and I talked about this last time, but it's always, I think, very important to differentiate between what I call high-growth potential start-up versus a small business. They're both important. They both serve very important roles. Both of them can end up massive, but they usually have a little bit different pathway.

So one of the definitions that I've seen is a high-growth start-up, they have really high scalability potential. They're designed so they can grow really quickly without a lot of obstacles other than securing ongoing operating capital. So the couple of example I have, you think about Uber, Shipt that some of you use to deliver your groceries, Waitr, obviously of Louisiana. So in that sense, you think about there's an ap, and with very little kind of added overhead, you can expand very quickly into a lot of states. So that's what we talk about high-growth, potential high-scalability, quickly-scalability companies.

MS. FELDER: Do you have any example of tech companies that are on that scale?

MR. CHAPPELL: Most of them today aren't tech companies, and the reason is that when you get into non-tech -- well, some of them are not tech companies, but they're under the guise of tech companies. We work as one who does the shared office space. They call themselves a tech company. They really do office rental space, and they've actually had a pretty poor IPO because some people have disagreed with that. So I think in this day and age, whether they're a tech company or not a tech company, they're usually kind of put in that box because the investors like that, and you can scale quickly because you don't have to usually have a lot of repeat, repeat, repeat in every location you go to. So I'll think about it more, but I think, to me, we work as probably the best example recently. I mean, there's others. I mean, what's the other, the -- Peliton that I think recently had an IPO, the bike, so they're not -- I mean, I guess their bike is all technology, so they're a tech company kind of too, but that's one that would be more of the product rather than a service or tech.

These companies are usually looking for equity investments. And it kind of goes through, not always, but a typical kind of process of when you get off the ground, you normally either self finance, you get family and friends to invest or you try to find a small seed funding.

This is usually a really hard stage for companies because at this point, all you have usually is a business plan, maybe even just an idea, you probably don't even have a prototype or customer. So it's real hard to get funding at this point because there's obviously a huge amount of risk that you've got to convince somebody you can go from a business plan to an actual company.

Next is usually an angel investment. We have the New Orleans Angel Network. We have an Angel Investment Tax Credit in Louisiana. These are typically wealthy individuals who are looking for a good return, but they also, in a lot of cases, are just interested in kind of start-ups and want to be involved in start-ups in general. A lot of them were start-ups themselves, but this is usually kind of early on. You might have a prototype, you might have a couple of customers, you may have done some data testing, but it's usually going to be pretty early in the process.

Then that's when you get to the Venture Capital investment. Those are the more institutional, professional firms. Sequoia Capital out of California is a very big one. This usually have a customer, you've shown really good growth and this is going to be a bigger investment, and all of these investments, you're going to give away equity in exchange for this investment. And Venture Capital, you can have several investments in the same company, sometimes in the same firm, some different. You can have a Series A investment, you can have a Series B, on and on.

And then ultimately, which I don't have here because they're very successful companies, the final stage is either a public offering or an acquisition by a bigger company, and that's obviously the goal of many of these companies.

And so I mention, all of these are extremely important in the success of companies, of start-ups. Louisiana has a little less of this atmosphere. We usually don't rank very well, anywhere from the 30s and 40s in kind of Venture Capital funding and availability of Venture Capital. It's a little bit of a chicken or an egg. You've got to have start-ups to have the funding, and you've got to have the funding to have the start-ups to kind of get past this kind of idea stage.

So I think I showed last time that California, Massachusetts and New York basically make up almost the entirety of these overall, when I say Venture Capital funding, kind of all of this, but certainly the later-stage VC money.

So these first two are, a lot of times, the hardest because you've really got to convince somebody that you actually have something that can -- and I say the first two. The seed or self funding, which is obviously difficult for some people, or the angel investment because you've got to convince somebody, yeah, I can take this business plan or this one customer, turn into a thousand, a million, depending on what you're doing, customers to make this profitable for you because obviously all of these people are looking for a very high return because there's a lot of risks. You don't want to get a 2, 3, 5 percent return on these, because if you were just doing that, you would put your money in a bank. So they're looking for high returns. You've got to convince these people that you can pull that off.

Louisiana has been involved. Some states get involved with trying to help this funding Venture Capital funding, and when I say Venture Capital, I kind of mean all of those that I just mentioned. From around 1989, the late '80s, to 2005, 2007, Louisiana, the State actually put about 35 to $40-million towards investing in start-ups, and they did it a couple different ways. They either invested directly into a Venture Fund and said here's the money, you go invest in Louisiana-based companies that you see fit, or they would work with a Venture Fund and do a co-investment directly into a company. So either way it was going through a Venture Fund. You had to apply. We had people at LED who would kind of do the risk analysis, the application, and then ultimately the Louisiana Development Corporation or LEDC Board says yes or no on giving the money to a fund or co-investing into a company.

And then it was actually in 2010, the legislation at the federal levels. '11-'12 is when I think the process started. The state got about $5-million, just over $5-million for Venture Capital funding, and that one, there was a co-investment. It went into, I think, five or six Venture Funds to invest in Louisiana companies. And at that same time, I think we got about 8-million to do more debt on the Small Business Loan side.

So Louisiana has done this in the past. I spoke to -- luckily we have a woman, Susan Bigner, who has been here since the late '80s, early '90s and has been kind of in charge of this, and so the funds are still around. I think, Mandi, you just said a lot of them presented, so the money has not dried up because obviously they're getting a return and the fund has continued for several years. So I think it was fairly successful in the fact that most of these guys still exist, are still investing in companies today.

So we looked around to see what other states are currently doing, and what I found, and there's a lot of nuance in between all of them, but there's really kind of three main categories that states have set aside money to help with start-up funding.

The first one is states like Connecticut and Tennessee and Maryland have actually set up essentially a state-run, state-backed nonprofit where they set up their own VC firm and have their own VC firm direct and invest directly into companies. So they are eliminating all of the outside private investors and say we're going to have our experts in this entity that the state is paying for and creating a fund, and they go out and try and find companies to invest in the state. Connecticut actually has a very big one, almost $200-million, and their issue is a little different than ours because they sit between New York and Boston and so they actually lose a lot of companies at the latter stages who get lured down to one of those cities. So some of theirs is later-stage investment rather than seed investment.

The other one is kind of what I mentioned Louisiana did at one point where the state just finds several VC firms that are located in the state and allocates the money. Those people apply, they're evaluated and the state just gives them money and says "Look, you're the professionals. You go make the investment. We're going to leave it up to you to use this money and decide who to invest in with obviously some limitations around it."

And I guess I didn't mention the first one, doing your own state, the pro is the state knows exactly where the money's going and very hands on. The con is it's a lot of overhead, and a lot of these VC firms have a very specific investment type where they'll only investment in biotech or something specific. Now if you're asking one entity to invest across the state, it's hard to have the expertise across all of those industries, so you may be limited there.

The pros of doing it the second way is you do limit all of that state overhead and you're not hiring a bunch of analysts and people to manage the fund. The cons are you are now just limited to the success of those VC firm, did you pick the right VC firms. In some states, where there's not an abundance of these firms and they require the fund to actually be in the state, you're limited on who you can give that money to. You may only have a handful of these firms that you can give the money to, so you're kind of limited in that aspect. If you go by just saying "Here's the money" to a specific VC firm to put in their own fund.

Examples of that are Colorado, Maryland and Georgia, and you see some of these people show up a couple times. So Maryland actually splits it. They put some money into their direct state-run organization, nonprofit, and then they took some of the money and gave it to VC funds located in Maryland.

The last way is a little less common, but is a little more open, and that is if you are a VC and are interested in a, let's say, a Louisiana-based company, you apply, and the state makes direct co-investments with that firm into the company. So, for example, you may have a Venture Capital firm out of California, if they were interested in investing in Waitr, to use an example, they would put an application into Louisiana with the LEDC Board and say "We want to in invest in Waitr," and the state would say "Okay. Well, we'll match after certain percentage of that to reduce your risk and make Louisiana investments more attractive."

So the thought is maybe a company that's like "Hmm, that's kind of borderline," or maybe some of these firms who aren't really looking at Louisiana a lot, you're now adding an incentive and de-risking their investment a little bit to say the state's going to match that up to a certain point if you invest in Louisiana companies.

So Tennessee does some of that. New Jersey, actually, there was a lot of press. They were heading down that road. The Governor was going to set aside a big chunk of money, and the VC firms seemed exited about it if it was setup the right way, but it got caught up in politics and died. Had nothing to do with Venture Capital, but kind of protests and some other things that the Governor was doing.

So that's kind of the three big ways that people have done it. And there's also, outside of just setting aside the money, Tennessee, for example, they have a lot of -- and Connecticut. They have a lot of things surrounding those funds to say not only we want to make sure people are well equipped, these start-ups, if they get the money, so they have mentorship programs, they have angel networks, they have services on how to write a business plan, how to do financials. They have a lot of services to try and help these companies along with getting the money. Within that program, they also have different kind of layers of early seed, you can get only a certain amount. Some of them have very specific, if you are a rural company, you may get a different amount or may go through a different scoring system. So there's a lot of nuance within these programs, but that's are kind of the three big buckets.

And then for funding-wise there's really kind of two ways. Some states, like Maryland just said "We've got the money, we're going to allocate certain" -- Georgia, I think was the same way. "We're going to allocate a certain amount of money, 10-million, 20-million, $30-million. We've got a surplus and we've got money to do it from a general fund. Go set it up."

Other have taken an interesting path. I know West Virginia was one, and there's a couple others. They sold tax credits. So one example is they sold tax credits to insurance companies and said "We're going to sell this" -- and I think I mentioned this last time, "We're going sell you this credit for $1. You can redeem it in several years and get $1.10 for it." And so now, when all of these people currently buy these credits today, there's a big influx of money into the state. Let's say, I think $30-million is one that I saw. They can then go set that aside for a VC fund and the state isn't on the hook to pay back these credits for five or 10 years. And the thought being is that if you're successful investing in these start-ups, the economic impact of these successful start-ups should make up for the added costs that you've got to pay for these companies down the road.

MS. TUCKER: So on the third way, does the state basically like vet and qualify a group of VCs by industry?

MR. CHAPPELL: Yes.

MS. TUCKER: They lift them up and then invite VCs to come in and like pitch contests, if you will.

MR. CHAPPELL: Yeah. Essentially. I don't know if it would be a pitch contest, but, yes, generally you would have a -- so you would look at things like if a VC said "I'm interested in investing in this company in Louisiana," you would vet them and say "Okay. How successful have you been? What's your return on investment? What's your portfolio size? What's your experience in this industry," et cetera to make sure you're -- and then hopefully, if it's successful, lets say we did this in Louisiana, you would almost have to have a scoring system if you had more applicants then you had money to give out, you would have a scoring system based along the same things and says "Okay" --

MS. TUCKER: Then the VCs could come from all over the United States, so that way it makes more investment --

MR. CHAPPELL: Exactly. Trying to bring in outside money to flow in, and it's similar to, in some ways, to our Visual Media Tax Credit, where these software companies and video game companies, they probably would have laughed at you if you said "Hey, you should look in Louisiana." And we said "Okay. Well, what if we add this sweetener and we give you a generous credit," and now we have IBM and we have CXE and DXC, et cetera. So it's kind of that same concept of just get in the consideration step, just have these big companies in the northeast and West Coast, in Louisiana, West Texas, wherever. At least say "You know what, we hadn't really looked in Louisiana that much, but there's a pretty big incentive for us to do so. So let's take a look."

But, yeah, you're right. There would be some type of application and scoring system to vet those.

So the next slide is, I'm going to shift from, I guess, the high-growth start-ups to more of a regular -- and I don't think that's -- not regular, but it's small business. So usually the definition of that is it doesn't have a scalability or as quickly a scalability as the high-growth start-up. As I said before, I think in the last meeting, that doesn't mean that it can't end up gigantic. I mean, today Walmart and McDonald's and a lot of other things wouldn't be considered a high-growth start-up. And the way most people think about that, and I think to kind of answer your earlier question too, is one example I've seen is an auto repair shop. Well, we know there's very big or at least auto sales, AutoZone and places like that are huge. It's a little harder to scale because if I open that in Baton Rouge, if I go to now open another one in New Orleans, I essentially have to, in a lot of ways, hire -- I've got to repeat the process so many times. There's not a lot of economies and scale. I have a lot of labor and a lot of repeats, so it's just going to take longer to scale that business. In some cases, if it takes a lot of equipment and I want to expand, well, I have to now buy that equipment in another state.

So once again, there's plenty of things that as a start-up, small business that could be some of the biggest businesses in the world, but it's just going to take longer for them to scale, and they usually grow in a little more of an organic pace. They can't go from like a Facebook that went from one spot to world-wide in a matter of years, or nation-wide in a matter of years.

These are not typically set up. They're not usually going to get equity investments. They're usually going to get debt. As a lot of you know, it's very hard to get a loan from a bank early on, kind of the same thing as the equity investment. You don't have a product, you don't have a track record, banks are going to be a little skeptical to give you a loan. So a lot of them rely on self investment or family and friend investment or a loan from a branch. They're using their personal credit instead of through the business, and obviously that's a limitation for a lot of people who don't have the money and don't have family and friends who can invest and don't have the means or personal credit to get started.

So just like start-ups, if you look at it, most small businesses and start-ups kind of do in the same place. A lot of times it's the idea phase where people just can't get from A to B. As I said, angel and CVs don't typically invest in these because it's just a longer time horizon. And I guess, as I said, there are loans available, but typically it's tied to personal credit, and so it can be difficult to get those and get going. And there are -- I guess, first, Louisiana is a little different in small businesses than on the Venture

Capital, high-growth, start-up side. Louisiana actually does fairly well in small business. So if you look at the left, that's the percent of population to start a new business in the state. So if you look, Louisiana .34, and the US median is .29. So Louisiana actually exceeds the US median and is ahead of all of our neighboring states except for Texas, which is at .43. I think Florida is the highest at around .46. So Louisiana does okay for small business.

Louisiana also does fairly well for survival rate, which is the business still operating one year after it's open. 80.3 percent of Louisiana small businesses are still active a year later. Better than the US median and only behind Mississippi that's 82 percent, ahead of Texas and Arkansas.

So the debt side is important, but it's not quite the critical issue for Louisiana maybe as the Venture Capital where we really just don't even kind of show up on the radar. We're way down the Venture Capital ranking. We do okay for small businesses. We also have currently through LED, and this came from the federal program, we have the Small Business Loan and Guaranty Program, which I think was originally about $8-million that were set aside for that. And it really is -- it's a guaranty program, and it guaranties up to

75 percent of the loan amount or not exceeding 1.5-million. So the process for that is you actually go to the bank, you get approval from them, you show that you have the assets or the capital to at least have that 25 percent and then they go to LED and file the application to get that guaranty.

Now, probably the most interesting thing about that is when we received the federal money, there was a lot of restrictions on what we could do with it, a lot of it that I just mentioned right now. Well, all of that money has been deployed and now we are getting the repayment back and so there's a healthy amount of money coming back in, but now because it's gone out and come back in, all of those restrictions are gone. Essentially LED could set up a loan program within reason however we wanted. So it's actually an interesting time to evaluate maybe that. So you have a couple options on the debt side. A lot of states have that federal program. Some have set aside their own money. So Louisiana could look at, A, do we need it, B, if we are going to do it, do we set aside some money, some new money, or do we focus on structuring this federal money and making it, maybe it's not a guaranty program, maybe it's a bridge program, a bridge loan. Maybe it's designed specifically for very certain types of businesses.

So an example would be, I think it's Delaware. Some other states obviously have their own debt programs. Delaware is one. They have a loan program that to qualify, you cannot qualify for a bank loan. So they only want companies that I guess are high risk or for whatever reason are new enough that they can't qualify for a bank loan, they can then apply for this Delaware loan. Others have similar to what we have where they are parameters, but it's a guaranty program or a small loan in different levels.

MR. SAWYER: Is that a BIDCO? Is that the new BIDCO?

MR. CHAPPELL: Which one?

MR. SAWYER: Is that the new BIDCO?

MR. KRAMPE: BIDCOs are gone.

MR. CHAPPELL: I'm not really familiar with BIDCOs. Is that --

MR. GREENWOOD: There's a few. They're not very active.

MR. CHAPPELL: Are you talking about this Louisiana program? And so this was --

MS. MITCHELL: No. That's the Small Business Loan Guaranty Program. They got seed money from the federal government and --

MR. CHAPPELL: Small Business Act.

MS. MITCHELL: Yeah. As those loans mature and those funds are repaid, then they're washed of the federal regulations, and so that's what James is referring to. The seed funding came from SSBCI, but we used it to create the Small Business Loan Guaranty Program.

MR. SAWYER: But essentially they had SBA authority, and they used federal funds. I used a BIDCO.

MS. MITCHELL: And I think we have one. Pat's not here. Pat, I think of those funds that we originally partnered with. I think there may be one out of the five that's a BIDCO, but like Bryan said, they're not very active.

MR. WITTY: That's correct. You're correct. They did a ton of SBA deals when they were going, but they got restructured or whatever. The legislation behind it got restructured. And, yeah, we'll figure out which ones.

MR. GREENWOOD: Their license I think is issued by --

MR. SAWYER: I went from application to loan approval in one week.

MR. WITTY: Really? They're pretty attractive, yeah.

MR. CHAPPELL: And that's supposed to be one of the positives about our current program. It's the same thing. It's supposed to be a very fast guaranty.

MS. TUCKER: SBC took three weeks, a month, two months.

MS. MITCHELL: And our program is driven by private banks, so what we're doing is we're giving the bank the assurances that if this company defaults on the loan, the state will cover 25 percent of that. So it is a fairly quick process because it's the private bankers.

MR. CHAPPELL: But as I said, now I think the exciting the thing is we have the ability to basically change it however we want to.

MS. MITCHELL: With recommendations from this group to LEDC Board, which is a board that I sit on, and several other private business owners. And trust me, that's something that I think the Board would be open to with well researched recommendations.

MR. SAWYER: We can approve our own loans.

MR. SOULÉ: So, James, those repayment dollars, does LED have an estimate of what the total amount that might be?

MR. CHAPPELL: You know, I talked to our undersecretary yesterday, and I never directly asked Mandi.

MS. MITCHELL: Isn't it 13-million?

MR. CHAPPELL: Seemed like she didn't want to tell me because there's always worry not so much -- not in this administration, but in the past, I think she's been burned by "Oh, you've got $13-million? Well, let's take that over to this." So...

MS. MITCHELL: Yes.

Sweeps, have you ever heard of those?

MR. SOULÉ: Yes. All of the time.

MR. CHAPPELL: I purposefully didn't know the answer because Mandi --

MR. SOULÉ: Plausibility.

MR. CHAPPELL: Yeah, exactly.

So, anyway, that's it. That's a high-level overview, and hopefully I think this is, our group over here, we'll get into more detail and kind of walk through this and maybe come up with recommendations on if we want to do something in Louisiana, what that would look like on both sides.

MS. MITCHELL: Thank you, James.

MR. SOULÉ: Excellent. Thank you, sir. Well done.

MS. MITCHELL: All right. So at this time, I'm going to call up Stephanie Hartman, who is the Director of Small Business Services. Stephanie's going to cover for us occupation licensing issues, but I also -- everyone got to meet the LED staff last time from our Small Business Team, and I failed to do this in my haste to get started, but we have a new team member, Ms. Camille Campbell has just joined the LED Small Business Services Team. And we also with us today Karl Schultz, who is a member of our State Economic Competitiveness Group, who does a lot of the research that got us to where we are today. So I didn't want to not introduce my additional LED colleagues that are here today.

Okay. Stephanie.

MS. HARTMAN: Thanks, Mandi.

So our group, our Small Business Services Team did a little bit of digging into the occupational licensing issue, and we just kind of have a high-level state of occupational licensing in Louisiana presentation to go through with you-all today and to bring into the breakout session. And Tatiana Bruce with our Small Business Services Team did a lot of digging into this item for us today.

So the first piece that we have, and I think that we're having the presentation is -- yes. I see that y'all have that -- is Louisiana Licensing Guide, which is issued by the Louisiana Workforce Commission, is the most comprehensive listing of all of the occupational licenses and regulatory boards that review and issue those licenses. That's Appendix A in the handouts that we have for you. Now, even though that's the most comprehensive listing, it is noted in there, one, that it's in 2016, and, two, that the Workforce Commission states that this is not necessarily wholly inclusive of all of the occupational licenses that are required. So that may be a point of discussion, but we have all of those listed for you there. There's 127 occupations that are licensed on the list, and those are regulated by 63 different regulatory and licensing bodies.

Another thing to touch on is that there are not a lot of comprehensive reports or analyses that had been done across the board for occupational licensing. So one of the main sources for the information that we're sharing with you-all today comes from the Institute of Justices License to Work Study, and this study pulled 102 occupational and looked at those licenses across all 50 state and the District of Columbia. They selected those 102 based off of those that where practitioners made less than the national average income and also those that are ideal for new small business creation where occupational licensing, of course, through this lens is going to be relevant on both a workforce side and also for those that are looking to start new businesses. So it can kind of apply to both.

What they considered in this report were both the number of those 102 licenses that were required in each of the states, and also the what they referred to as the burden required to obtain those licenses, so fees associated with it, any required education or training, exams, minimum ages or minimum grade completed required for those licenses.

When we first take the first look at Louisiana, and you guys have, on Appendix B, the list of all of the states and the number of licenses on this 102 consideration that were required, Louisiana is actually at the top of the list for requiring the most of any of the states of those 102 licenses. So we require 71 of the 102. When I look across the other states, the average number of those licenses that was required was actually 43. So we're significantly above what the typical licensure required among all of the states may be.

Of those 71 occupational licenses that are required in Louisiana, 29 of them are licensed in fewer than 25 of the states. Of those 29, 12 are licensed in fewer than 10 of the other states. And based off of this report, their recommendation is that any license that's required in fewer than 25 states may be something to look at for potential reform or at least consideration of reform or review.

Another piece that they pulled out on kind of looking across the board is if any occupations that are licenses across all of the states, they typically have a fairly difficult entry requirement and a typically higher level of what the report calls burdens, fees, examinations, and this can come into play when people are looking at moving from state to state if they have a particular license. So, for example, nursing, if someone was looking at moving into Louisiana and we don't recognize reciprocity for that license in another state, it may create a barrier for workforce traveling like across state borders.

So reciprocity, of course, being a recommendation from this report for consideration in terms review and comparison across the other states.

Now, although we do have the highest number of licenses that were considered in the report, we actually ranked 8th and not 1st in terms of the most broadly and onerous through licensed states. Now, the reasons that we don't come to top of that list is because although we do require the most licenses, they are not necessarily as heavily burdensome in terms of fees, examinations or number of training days that are required, so that kind of levels the playing field a little bit. But, you know, of course, the consideration there being if it's required, but there's very minimal steps that are necessary to obtain that licensure. It could be, you know, potentially recommended for review, but whether or not it might be necessary.

And then finally there's just some pieces that we pulled out from this report considering those 12 areas that we require occupational license that no other states do, and of those, you know, 29 where half the states don't require them. One is that we are the only state that requires license for florists. Of course, this row's kind of to the state stage, and consideration for recent legislation was attempted to try and address that issue. It did not pass. Louisiana's also one of only four jurisdictions that require license for interior designers, and that has a six-year requirement in terms of school and training, an apprenticing piece and also an exam to pass.

For pest control workers, we have a second highest requirements in terms of the barrier to obtain that license. We are one of only three states that license home entertainment installers, and we're also one of only 12 states that license pharmacy technicians. So these are just a few individual licenses that we pulled out.

MS. FELDER: So I have to ask. A friend of mine and I just got into a conversation about the florists, that the florists have to be licensed, and I have a friend who wants to open up a florist and she's like just the time of going through that process, even though it's probably not as extensive as some of the rest, but I'm like to put flowers in a vase, like we need to pay special fees and take special classes? I don't know. That just blows my mind.

MS. HARTMAN: Yeah. And so there's -- you know, we have some potential policy recommendations to discuss with the small group, and we'll go through those with the group, and also recognizing the existence of the Occupational Licensing Review Commission, which I know Allison sits on, and some of the limitations of that body in consideration of review of the current state and the recommendation for potential changes to existing licensure because there are some limitations there, yeah.

MS. CLARKE: On that note, on the last -- in our last two meetings, what we're seeing is people who are bringing their rules before us for review. We're seeing issues like reciprocity and some -- I mean, most of the things we've seen have been the opposite of what our purpose is. You know, we're seeing that they're trying to encourage, you know, new generations into their fields and into the profession, and then, like I see, opening up for reciprocity and making it easier for people to enter these professions.

MS. HARTMAN: Yeah. And I think that the discussion of what we'll obviously go into is what are the opportunities to try and extend that conversation and take those things into consideration.

MS. CLARKE: And so far we've fully supported any of those efforts. We voted in favor of all of them.

MS. MITCHELL: And I want to oint out to this group that what Allison is referring to is the Louisiana Occupation Licensing Review Commission had been recently created, which when you hear that name, you kind of think "Oh, that group is going to tackle occupational licensing reform." Well, in fact, that group has not been given the authority to do so. What their focus is, though, is to review any proposed regulations among these occupational licensing boards and ensure that those regulations are not burdensome to small business or aspiring entrepreneurs or to the public.

MS. CLARKE: And get the access to the licenses.

MS. MITCHELL: That right.

MS. CLARKE: We want to encourage competition and encourage the free market process.

MS. MITCHELL: Yes. But we had gone back and looked at the footage from some of the hearings and were kind of shocked that the commission itself is not going a bit further into identifying some of these issues that Stephanie and her team discovered, and that is because when we researched the law, that's not part of the directive for this group. The Occupational Licensing Review Commission is kind of limited to a review, and so I think that's the beauty of what our role is and what we have the ability in the law is to make policy recommendations. So we're still digging through the work of the Occupational Licensing Review Commission, but we're looking at it with a broader lens. We're thinking about aspiring entrepreneurs, we're thinking about Louisiana's with low educational attainment, think about some of these occupations and the impediments for these people to be able to get a job. Think about ex-offenders.

MS. CLARKE: That came up in one of our meetings too.

MS. MITCHELL: So, you know, there are some segments in the workforce think about low income individuals who don't have resources to pay for an exam or to spend six years in school to become an interior designer. So when you break out into groups, just have those segments of the workforce and of the potential small business population in mind. I just wanted to point that out.

MS. TUCKER: Potentially the re-entry population, where Louisiana has a larger re-entry population amongst other states?

MS. MITCHELL: Yeah. We're Number 2. We can't brag that we're Number 1 now with incarceration rating. We're Number 2, but those individuals, the workforce commission and the Department of Corrections is working hard to help those individuals become contributing, productive citizens, and then this is another area you wouldn't think about that, but it could be contributing to those issues.

MS. CLARKE: So it sounds like it's more government process, but this is happening across the country, and it's based on the licensing groups were, you know, price setting and elevating regulations so that people cannot enter into these professions. So the Federal Trade Commission is really who's come down on the states to put this process in for review. Like I said, Louisiana seems to be, and their group, seem to be very progressive in working to increase access to their professions.

MS. RIVERA: Is there a reason why the contractor licensing board is not in here? Because I don't see anything.

MS. HARTMAN: Yeah. So that was not one of the ones that was listed on -- it's one of the excluded ones from the most comprehensive listing that Louisiana Workforce Commission has together. So and theres's all of the ones that are -- some of those are included in I think the 102 that the Entity of Justice considers.

Ms. RIVERA: So there's actually more than those?

MS. HARTMAN: There's more than what's in that 127 from the workers' -- because there's not really a wholly comprehensive list, which is a other issue.

MS. FELDER: I was curious, but I didn't see moving locations.

MS. HARTMAN: Now, if you go to the Secretary of State's website and you're looking for your particular business, it will tell you, but it's not a listing of the entirely or the entire picture of occupational and, you know, other licenses that are required of the state.

And then the last thing I think I just want to draw your attention to and then I'll pas it over to Mandi, the final appendix, Appendix C, is the breakdown of all of the licenses of those 71 that are required in Louisiana, and those that are highlighted are all of the licenses that are required in fewer than 25 other states. So we have kind of on there the list of the number states that require. For example, the top, interior designer, only four states require that. Home entertainment installer, only three. So if you wanted to dig into that, that listing is there as well.

MR. SAWYER: I've to go start washing my hair on my own --

MS. HARTMAN: That was one of the standouts as well, shampooer.

MS. SAWYER: No. Shampoo assistant.

MS. HARTMAN: I'm sorry. Shampoo assistant.

MR. SAWYER: Can I give you an example of something?

MS. HARTMAN: Sure.

MR. SAWYER: So it takes more than six years to become an interior decorator? I went from beginning of Army flight school, 300 hours, 300 hours later, I was in combat in Vietnam. That's 37 and a half days of work time that I did. Who did this? Who did this? Who put all of this stuff in here like this?

MS. MITCHELL: The laws and regulations, over the decades, our legislation and our occupational licensing boards.

MS. CLARKE: Their members.

MS. HARTMAN: The individual ones.

MS. MITCHELL: We are going to be nice.

MS. HARTMAN: So the boards that regulate it are the ones that put it in place.

MS. CLARKE: Let me also put a little asterisk on the boards that I sit on, we only regulate the ones who are majority ruled by individuals in the profession so that they can't block people out.

MS. MITCHELL: Thank you, Stephanie.

Okay. Rounding this discussion out, and we have made up -- we've caught up on time, which I'm excited.

I am now going to put you to sleep with regulatory issues. I hope your eyes don't gloss over because mine did at 4 o'clock in the morning. By the way, if there are any misspelled words or typos, blame it on me having insomnia and tinkering with these slides.

So while the scope of this group, the scope of the LSBEC is not federal, I did want to kick it off by briefly sharing with you some of the federal issues that spill over into state issues and are linked to state issues. And so very briefly, access to capital regulations. Y'all, I'm so excited I have this thing. I was in a conference -- I'm sorry I didn't share with y'all. I was at a conference a couple weeks ago, I'm on the Board of Community Health Center. Anyway, they were giving these away, and I was like I'm official because I have a pointer now, like a red pointer.

So, anyway, but the access to capital regulations, one of the areas I want to point out here pertain to the Security and Exchange Commission's Regulation D, which prohibits security issuers and start-ups from soliciting, from general solicitation and general advertising to nonaccredited investors. And when you think about the way that small businesses are raising money now, think about crowd funding, so you cannot pitch to the crowd because of this Regulation D. You are restricted to accredited investors. That's one area I'm just kind of touching upon, and that it's a federal issues, so. And I will say this, LED, we monitor federal issues and we do advocate on those, but that is, you know, these issues are beyond the scope of all LSBEC, so I don't expect this group to develop recommendations on federal issues, but I thought you would find this information quite interesting.

OSHA regulations, there are concerns among the small business community with OSHA moving forward with process safety management rules. These rules require third-party audits and other burdensome provisions, particularly in the area of chemicals, that don't necessarily pose public safety risks.

Federal level business certification process, I know that several of our members here will be familiar with the number the myriad of federal certifications. Business located in hub zones, women-owned small businesses, small disadvantaged businesses and service disabled veteran contractors. You-all will be glad to know that SBA, the Office of Advocacy is leading some work to look into a unified certification process patterned after the women-owned small business certification.

The federal procurement process. Where to begin? So at the same time that the federal government is encouraging small businesses to participate in competing to provide goods and services to the federal government, those small businesses are weighed under complex documentation, paperwork, rules, you name it. Ms. Alta talked about this when I visited with her in Jennings. She's got some good stories to share there, and that's despite programs that are like the PTAC, the Procurement Technical Assistance Center, which, by the way, did a phenomenal job for Louisiana businesses helping businesses navigate the paperwork and the regulations and whatnot. So that's an issue that is impeding small business growth.

Minimum wage, I don't think I need to say much there. Small business associations, it's no secret, have expressed concerns with the federal minimum wage, the potential of the federal minimum wage being increased. The concern there among small businesses is that it would make them less competitive and it would have a disproportionate impact on small business as compared to large businesses who have ways to absorb additional costs and not eat into their own profit margins.

MR. SOULÉ: On that minimum wage, but that's also a very local issue.

MS. MITCHELL: I'm coming to that. Don't jump head of me, Soulé.

MR. SOULÉ: I just want to make sure.

MS. MITCHELL: And I will tell you, when we get to the conversation -- and by the way, because it's a fiercely controversial issue that has been discussed and debated and deliberated, I don't know that it would be well worth our time for this group to focus on the minimum wage issue. It's never going away. I can tell you that in Louisiana, I can tell you that many locals, a number of locals in Louisiana would like the freedom to set their own minimum wage, and there have been bills proposed that have died terribly quick deaths in the labor committees. I spent a lot of time with the legislature, so I know about all of this stuff that goes on. But we are going to talk about the state level. And by the way, our state minimum wage, we don't have a state minimum wage. We default to the federal minimum wage of 7.25 an hour, and private sector companies can, if they so choose, exceed that. So Ochsner has done that, Lafayette General has now done that where I'm on the board. So some private Walmart, Amazon.

MR. SOULÉ: North Oaks has done it.

MS. MITCHELL: And so there's several private entities that are choosing to do so. And you have businesses associations that strongly suggest let the private sector do what they do in this regard. So, anyway, yes, it's a very local issue.

White collar exemption from overtime rule, this is something that I wasn't aware of until we started doing the research on this. And by the way, Chris Cassagne from the Small Business Services Team did a lot of the ground-level, basic-based research for this, and I built upon his research, but this is quite interesting. The Department of Labor in 2016 sought to impose a rule that almost doubled this white collar exemption from overtime rule. Essentially there is a certain pay wage, it's like 27,000 for full-time workers, that if they exceed that amount of time, they're not considered exempt, and, therefore, you have to pay those employees the overtime wage. And so Department of Labor in 2016 sought to almost double that, but that was struck down by federal courts. So we have a new rule that's coming into place effective January 1, 2020 that raised it up to $35,568. So about $684 per week. So those are things that small businesses --

MR. SOULÉ: Say that again because I'm not clear on that. Say that again, the exemption.

MS. MITCHELL: So there's this -- there are several exemptions from the overtime rule. So for employees that work 40 hours per week, once they surpass the 40 hours per week, the employers required to pay them time and a half. Well, there are certain exemptions from that, and one of the exemptions is for white collar employees, those that make more than 27,000 -- actually -- I'm sorry -- $23,660 annually; right? So you're considered exempt if you make more than that certain amount. Well, the Department of Labor sought to almost double that, and it was struck down by federal courts because the courts are suggesting Department of Labor doesn't have that authority to essentially set that exorbitant amount.

MR. SAWYER: Is it salary or hourly for that factor?

MS. MITCHELL: It doesn't matter. They have a rate for annual and for weekly pay, and that's the --

MR. SAWYER: So if it's salary, you break it up assuming you're --

MS. RIVERA: But it's not only based on that really, on income. There's some other --

MS. TUCKER: What is the new threshold?

MS. MITCHELL: The new threshold is $35,568 or $684 per week.

MS. TUCKER: No matter if it's salary or hourly?

MS. MITCHELL: Chris, did you dig deep to see if there were further exemptions on that part pertaining to salary versus hourly? I don't think so.

Not according to my read.

MS. HARTMAN: Darrell was looking into federal information.

MS. MITCHELL: So not according to my read, but I don't want us to get hung up on that. This is just FYI. But I can send you, I have listed all of the sources for our research on this because this is not LED's strong suit, so we are learning with you on these federal issues. But I have the research where all of this came from.

MR. SOULÉ: Mandi, although this is not -- LED is not much we can do, but there are many, many businesses in Louisiana who are in this arena on the federal level who are participating in federal contracts. There are many, many businesses.

MS. MITCHELL: That rule applies to every business, honey, not just those that are participating federal contracts. All of them. So, yeah, it matters, and that's why felt I should touch on those topics just to give a flavor of what small businesses are facing on the federal level, and we're going to talk about the state level shortly. And so do I stand correct that Darrell --

MS. HARTMAN: Darrell did the federal.

MS. MITCHELL: Thank you, Darrell.

Okay. I want to talk about procurement on that aspect as well.

MR. SAWYER: I have, being in manufacturing, I have pretty good experience with OSHA, and I hardly ever hear anybody mention OSHA Consulting. And I don't know that LED is even aware of OSHA Consulting or not. Some people are; some people are not. Very, very important that you know who OSHA Consulting is. It's a state agency, and we use them on a yearly basis to keep ourselves straightened out so we don't come in and get killed by OSHA. It's nonpunitive. It's an excellent, excellent program, and I think more businesses, particularly manufacturing businesses, should know about that.

MS. MITCHELL: Is it a private entity?

MR. SAWYER: No. It's a state agency. It's called OSHA Consulting. They're state employees. They don't come in and try to put you out of business.

MS. MITCHELL: Okay. Good. Well, we're going to make sure we include that --

MR. SAWYER: That's a huge asset for manufacturing in Louisiana I think, and I think it's almost --

MS. TUCKER: Keep you in business or not.

MR. SAWYER: It's almost unheard of.

MS. MITCHELL: Well, we'll make sure we include that in our recommendations to raise awareness about the availability of this resource.

Did I skip federal procurement process?

MS. TUCKER: Yes.

MS. MITCHELL: Federal procurement is another. It's actually quite similar to the issue with the certification process. So -- I didn't skip that. I talked about PTAC.

MR. SOULÉ: Yeah.

MS. MITCHELL: So federal procurement, essentially they're, at the same time we're encouraging small businesses to do more business or compete to do business with the federal government, their complex processes are impeding small businesses from doing so, in spite of PTAC being here to help and in spite of federal government's insistence that they would like to see small businesses participate.

MS. TUCKER: There's some illusions to that too. There's some illusions that too that are used at the state level, especially at the state level when it comes to procurement here. But I do understand that like that's a big issue that I'm sure when it comes to DOTD and they do have those issues when it to funding, but when it comes to selecting, they hide behind these issues at some point. I just want to make sure we highlight that.

MS. MITCHELL: Federally-funded DOTDs, RFPs and bids.

MS. TUCKER: Yes.

MS. MITCHELL: Okay. Yes, and that's something we can mention because I did also create an issue to be discussed as it pertains to the state procurement processes and how we can improve that in regulatory framework, but you are in the wrong group. I'm teasing. I'm teasing. You didn't pick me as your first choice. I'm teasing. I'm joking.

And by the way, y'all, just because we're in these groups does not mean that anyone who has recommendations on any of these specific areas can't comment or share those with us. That's the whole goal. That's why we got your brain power in here, and the fact that you're on the ground living this stuff is why it's not just for a bunch of, you know, government people. Sorry, colleagues, to refer to us that way, but we -- I used to run my own small business, but I didn't have all these issues to deal with. I had a fairly simple small business. But we want to hear from you regardless of what area you happen to -- the bucket you fall into today.

So the research where we pulled from came from the Pacific Research Institute. They recently conducted a 50-state small business regulatory index, and we also looked at the Small Business Policy Index produced by the National Small Business and Entrepreneurship Council. There is a national version of this group that we have formed today. So as you can see, we kind of fall in the middle of the pact on both rankings. So in the PRI ranking, we're ranked 14th. And they look at two categories, labor regulations and business regulations. And I did want to highlight the states that have the least burdensome structures and the most burdensome.

So as you can see, Indiana, North Dakota, Texas, Kansas and Georgia were the least burdensome states, and then Vermont, Connecticut, Rhode Island, New Jersey and Cali had the most burdensome.

When we look at the ranking for -- produced by the SBEC, the national level, they look at policy measures and costs impacting small business and entrepreneurship, so they look at sort of a different set of metrics, but we still kind of fall in the middle of the pact on that.

So state issues, going a little deeper into the PRI study, from a labor standpoint, workers' comp insurance, FMLA regulations, occupational licensing regulations, which has been discussed in depth already, UI insurance programs, short-term disability. They look at which states are right-to-work versus which aren't, and then minimum wage regulations.

So from a workers' compensation index, the PRI looked at the cost per $100 of payroll for workers' compensation insurance. Louisiana ranks very high, and to rank high here is not good, but our index was 2.23 per $100, and from 2012 to '14, that rank, that cost, that rate increased by 8 percent. By comparison, North Dakota has the lowest cost, and Cali has the highest cost per 100, but I wanted to pull out some our neighboring states. Texas, 151; Arkansas -- there's a typo. I didn't have my dollar sign. 4 o'clock in the morning. Arkansas, 108; Mississippi, 169; and Alabama, 181. So it's a deeper dive that is required, and here what I believe, and we'll discuss this in our group and report back out to the full group. But the Louisiana Workers' Compensation Commission, we need to have some conversations with them to go a little deeper to see what's driving this. And by the way, this index, I want to point this out, this index has been adjusted for the industries that dominate Louisiana because you think about it, you think petrochemical refining. Well, that's going to require a higher cost of workers' compensation insurance as would something on the services side, like legal services. But this group did some extensive work to adjust these rates across all states sort of mitigating the different weights given to different industry sectors. So this is about as close as we can get to a really true comparison to other states.

Family leave regulations, and, you know, this is interesting because you see more states moving towards trying to be more generous on family leave, and there are a lot of trends happening there, a lot more women starting businesses, a lot more women in the workplace. Women generally tend to be the caretakers of parents, children, et cetera. So you are seeing more of a movement towards support in that regard. So this is just information on what our family leave laws and regulations provide for in the state.

Occupational licensing we've already discussed in detail.

Unemployment insurance programs, those are joint federal-state programs that require 26 weeks of monetary benefit to qualify unemployed workers, and when you look at Louisiana's UI taxes, ours are comparatively low, essentially making it less costly to hire qualified workers here as compared to other states.

Short-term disability, Louisiana, along with 45 other states, there are only five that require employers to carry this insurance.

Right-to-work, of course, we know we're a right-to-work state, and about half of the US states are.

And then minimum wage, which we just talked about a moment ago, we default to federal minimum wage on 7.25 an hour.

So we've talked about business regulations. You'll see that the occupational licensing falls under both because occupational licensing issues can impact that individual that wants to be a pest control worker but can't because he can't afford the test and doesn't have the time to quit working at one job to go do all of the testing and exam requirements, but it also impacts the rate of small business start-up and entrepreneur entrepreneurism, so it falls under both.

From the standpoint of regulatory flexibility, Louisiana's ranking here came before two things happened. Well, actually one significant thing. So the first thing, there's a Federal Regulatory Flexibility Act, and what it does is it creates processes to assess the impact of regulations on small businesses. Louisiana replicated the Federal Regulatory Flexibility Act back in 2009, but recently and the in the most recent legislative session, we passed the Small Business Protection Act, which adds teeth the Regulatory Flexibility Act. What that does is it allows small businesses the ability, before the regulations happen, to find out what proposed regulations are impacting them, and it's been elevated in priority and an emphasis to our state's third highest elected official to Secretary of State's office. So we actually do fairly well with the recent passage of that bill under regulatory flexibility.

Tort liability environment is another issue. I'm coming back to that. I'm going run through all of these start-up costs and filing costs. That pertains to how much does it cost to get -- to file your paperwork to start a business and how easy it is to do so, and then what are the annual costs associated with keeping your business paperwork in order.

State energy regulation looks at the cost of energy. That's for about 10 percent of small businesses. Energy is the highest cost, and we're fortunate in Louisiana to be a relatively low energy state. We kind of fall in the top 20 in that ranking, but nonetheless, it's something I wanted to highlight.

Telecom regulation is looking at deregulation innovation. You can't do anything today without a telecom device. Your laptop, your iPhone, these are all now telecom device, not just your old landline phone, and that was another significant cost that impacts small businesses.

Land use regulations, Louisiana is one of the states with the least burdensome land use regulations. Locals around the state have the power and authority are to oversee those and make their own rules as it pertains to land use regulations, and generally speaking, we have a pretty liberal land use from one parish to the other.

Alcohol control states, when I first saw this, I said "Why?" "Why is that important to small business issues?" But it pertains to whether or not the government controls and monopolizes the sale of alcohol, and particularly retailers, it becomes an impediment for retailers in those states that are controlled states, which Louisiana is not because we know you can drive through and get a daiquiri, but it is an issue in some states.

And then the state procurement processes pertaining to Hudson and veterans, so I'm not going to go deep dive into every one of these, but I did share with you the Regulatory Flexibility Act.

From the tort liability environment standpoint, I think it's no secret that Louisiana does not fare well when we're compared to other states, and the research here came from the Institute for Legal Reform. They surveyed over 1,100 individuals that are directly involved with litigation in their states. And more than 70 percent report that it's likely the impact business decisions at their companies, such as where to locate or where to do business.

Start-up and filing costs, we just talked about that. Louisiana falls in the middle of the pact on this indicator. Iowa ranked the Best, and New York ranks the worst. So that just gives us an idea of some states that we can look at to see what's happening, what works and what doesn't work when it comes to this. And I will say, and I'm not just saying this because my friend Allison is here, but GeauxBIZ is a very efficient program for small businesses, easy to navigate, and I do think that you guys are working on some upgrades.

MS. CLARKE: Always. Every day.

MS. MITCHELL: Yes.

MS. CLARKE: And one of the issues, I'll go back on your telecom slide, was that one of the impediments is North Louisiana because of the --

MS. MITCHELL: Broadband.

MS. CLARKE: -- broadband issue, we've not been able to modernize as quickly. Now it's available online to everyone, but their access --

MS. MITCHELL: Very slow.

MS. CLARKE: -- their services is so difficult, but they're still doing things manually and the paper route. And we're getting a lot frequently, when we try to do things, you know, to modernize on the electronic side, by the North Louisiana legislatures, because they know certain people are having trouble accessing, and they do. They tell us it's them too.

MS. MITCHELL: I'm going to come back to that in a second. It's on my next slide.

From a public energy standpoint, I kind of covered this. This is some work that the NFIB had done nationwide, and what they learned from among their members is that about 10 percent of small businesses, their largest expense is, in fact, their energy costs. So Alabama and Texas are tied for number one. Louisiana, I think we're number 17. We kind of fall in that top 20, but potentially there's some work to be done there.

And right on time with Allison was talking about, the telecom regulations small businesses and deregulated states have lower costs, which means they can have greater profitability and greater technological services, so they can be more innovative. And this is something that's huge right now for the USDA is trying to support rural communities through USDA funding to entice private telecom providers to bring broadband to rural areas. And why that's important for our discussion today is because things like coworking spaces, makers spaces, those are the new wave particularly for rural communities around the country. And by the way, in certain parts of the country, more millennials and younger people are opting to live in rural areas, and so they're driving that demand for broadband in these areas. And I used to work in telecom, and I will tell you, those companies look at the cost to bring broadband services to the premises, and it is an impediment if their thinking strictly profit. So the USDA and other federal government entities are stepping in and helping rural communities to incentivize private providers to bring broadband, but that's a big issue.

We talked about land use regulations. Alcohol control states. Right now there are 18 of them. Louisiana's not one of them.

And then state procurement processes, from a

Hudson and Veterans initiative standpoint, we recently, the legislature recently made some tweaks to the Veterans initiative, and there's conversation as to whether or not there could be some policy improvements along the same lines for the Hudson initiative.

By the way, those who aren't familiar, these programs seek to level the playing field for small businesses that are trying to compete to do business with the state. And the way that is done, the business has to be owned by a Louisiana resident, the business has to be domiciled in Louisiana and the business can't have more than $2-million in gross revenues. But what it does is, in the RFP or the bid process, it provides for up to 10 additional points on the scoring in an effort to level the playing field for those small businesses, qualified small businesses in various categories.

And Iam was just talking also about DOT. DOT is a little unique because they're heavily federally funded. So the federal government has mandates that comes along with their funding to ensure that disadvantaged business enterprises get the same bite at the apple. So there's some areas there for improvement when it comes to state procurement processes.

So at this point, we are going to break into groups. We can take a break. By the way, lunch is going to be delivered around 11:30, so we do have lunch and snacks for y'all. We can take a break if you'd like, but what I would ask at this time is that each group get together, we're going to have our LED staff lead to join your group, and discuss some of these issues and discuss some recommendations and ideas that we developed, the staff, and but also, any other suggestions you have, put them on the table please because we want to take them and go research those so that we can have a robust report coming from this group.

I do want to share this, these are the sources where we gather the information between Darrell and I, our information sources to put together the regulatory piece. And as you can see, we don't discriminate. We talk to NFIB, LABI, Committee of 100, Reset Louisiana and the SBA.

And speaking of the SBA, Bryan, thank you for the introduction. I'm working on getting Rhett Davis, who is the Regional Director with SBA, at our next meeting. Rhett is just a wealth of information on things happening at the federal and the state level.

Something else of importance to people in this room, the Sales Tax Streamlining and Modernization Commission. That's a mouthful, but --

MR. SOULÉ: Does it work?

MS. MITCHELL: Let me tell you, so this group met over a year and a half from August '15 to March '17, they held 16 public meetings. The purpose of this group, their goal was to perform a comprehensive study of our local and state sales tax regime, to make recommendations to the legislature on the revisions of policies and practices associated with that, but one of the goals of the author, Julie Stokes, that created this group was to try and streamline this particularly because of the impact to small businesses. And Cassie knows what I'm talking about. If you operate in more than one parish, you know what I'm talking about. So, but this is what I want to share with you, how difficult is it sometimes to enact meaningful policy reforms.

This group met from August of '15 to March of 2017. During that timeframe, they were able to get to discussions on sales tax exemptions and exclusions and deductions and rebates. It was very difficult for them to come to a consensus even on that piece of it. Listen to some of the groups. So Representing the Legislature, Ways and Means and Rev and Fisc Committees. Those committees oversee any and everything to do with taxation, so they had representation here. Local government, police jury, LMA, Association of Tax

Administrator, school board, sheriffs. So local government was in the house. Private sector was in the house, LABI. Well, but they -- I'm going to tell you in a second, their concern is with what will happen with those funds if they're centralized and collected, what happens if the state goes into a deficit? Will the state take those funds and sweep it and use it for something else instead of sending it back to where it belongs? So, I mean, there's two sides to every debate, but I want y'all to know how hard it is sometimes. For the private sector, LABI, NFIB, the Retail Association, the auto dealers, they have a lot of sales tax impact for the Auto Dealers Association. LIDEA, that's the Association of Economic Development executives. They represent folks that are employed in the private sector and in government. When it comes to economic development, CPAs were at the table. PAR. PAR is, everybody knows is just a fair and balanced group. The Public Affairs Research Council. We had the National Tax Foundation at the table, and then revenue and the auditor.

So this group, a motion was made for them to consider policy changes regarding consolidation of state and local tax administration. There was an objection, and it didn't go through because when this group was created, one of the rules put in place was that three-fourths of that group had to agree for any motions to move forward.

The work of this group expired on June 30th. The report was never adopted, and I'm unclear just yet as to whether or not the new legislature that comes in in January, if they're going to pick it up again and revive this commission and move things forward. We could only hope.

MS. TUCKER: Is there any bruises?

MS. MITCHELL: I just wanted to -- I know that's important to some of the folks, but I wanted you to know there is a whole other group who's homework assignment is to deal with this, and it's powerful people in groups at the table. So I don't think it would be wise for us to expend any resources, at least not now, on this topic, but I did want to report out on where things stand with that commission. And I will keep everybody updated as the new legislature comes in as to whether or not they're going to bring it back to life. Because if so, then there may be a way for us to piggyback on some of their work.

MR. KRAMPE: Mandi, when I went to Indiana University of Bloomington is where I went to college in the early '80s, and I happened to be going to the library, the old library, and grabbed a book that was about efficiency with the tax structure in Louisiana.

MS. MITCHELL: Oh, boy. I'm afraid to know.

MR. KRAMPE: And it talked about directly with the way that the sales tax worked in each parish. Obviously nothing has happened since then, and we have a myriad of other issues in taxation as well, but that's a huge issue. I operate in 17 parishes, and it's very difficult, to say the least.

MS. MITCHELL: That's right.

MR. KRAMPE: Like today, we don't need to necessarily look at that, but it is something that I think we need to take a look at down the road somewhere.

MS. MITCHELL: Yeah. I'm all for it after we get some low-hanging fruit done.

So all right, y'all. We can take a break, but please let's get together in our groups and try around 11:30 to wrap up your discussions in your groups, and we should be having lunch brought in right at that time. And then after that, we'll have ask for a volunteer from each group to share what you-all came to a consensus on.

Thanks. Break time.

(A recess was taken.)

MS. MITCHELL: All right. So is everyone ready to go around the room?

Okay. Sounds like it. I hear some laughter and stuff and people munching on their lunch.

So I will share on behalf of our illustrious group of subject matter expert on regulatory policy issues. So we chose to focus on a number of areas, not the whole smorgasbord. We chose to focus on procurement, workers' compensation insurance, regulation as it pertains to occupational licensing. So we're not going to steal y'all's thunder. We have just a little bit from a regulatory standpoint, and we touched upon tort liability environment. And we would like to do more research there with some subject matter expert in between meetings.

So from a procurement perspective at the state level, we focused on Hudson and Veterans, those two program, and the DOTD DBE Program, Disadvantaged Business Enterprise Program. So one of the recommendations pertaining to DBE is that -- I mean, yes -- pertaining to DBE is that we work with the Department of Transportation and Development to focus on and ensure that it is following existing DBE rules as it pertains to licensure requirements and professional standards. So I'll give you a good example that came up at our table was that you have an engineering construction firm that's owned by someone that's not a licensed engineer, however, they have licensed engineers at high-executive levels on their team. DOTD would not, without legal action, certify that company as a DBE under their own program, and it caused a lot of costs, legal expense and time to get that done, but it was appealed all of the way up to a federal level. And it turned out in the company's favor. That's just one example of a number of areas where we think that DOT's DBE Program has room for improvement.

There was also a recommendation pertaining to that for third-party reviewers on certification requests. So not the entity that's getting out the work also doing their own reviews for certifications, but to have a third-party do it, which is how it's done at the federal level and a number of other states.

We talked about Hudson initiative. We came to the consensus that the points for Hudson should be a guaranty 10 points and not up to 10 points. The law, a lot of people don't realize this, and I will say most state agencies do grant the 10 points no matter what, if you're Hudson certified or if you're Veterans. The law just changed for veterans to a guaranteed 12 points because we love our veterans in Louisiana. So to thank them for them service, and if they want to come back and start a business and do business with state government, veterans get a guaranteed 12 points any time they bid on state work. Twelve additional points.

So Hudson we agreed should be a guaranteed 10 points, and what that does is takes out some gamesmanship that has -- that some small businesses have experienced. Also when it comes to Hudson, we talked about accountability and reporting. From an accountability standpoint, the issue as come has been brought to LED's attention and it has separately, on separate occasions, has been brought to the Office of State Procurement's attention, that the prime contractor of a large bidder placed the name of a Hudson certified company on their application on their RFP or their bid. They got the added points and actually did not follow through with using that small business as they committed to. That has happened. So we talked about accountability.

We also talked about reporting for those businesses. We have -- we didn't iron out on what level of frequency, but we have some ideas on details as to what should be reported so that these companies know if you win a bid by way of utilizing a Hudson certified company, that we will follow up on that. So those are the things that we talked about.

There was also a recommendation to look at something that's done in other states pertaining to the small business option, which allows certain state agencies in that state to show preferential treatment tool using small businesses for certain services and products. So those were procurement recommendations.

MR. SOULÉ: Very good.

MS. MITCHELL: With workers' comp insurance, we learned that the insurance commission controls the EMR. What is that acronym? It's the rate at which you -- the NCPI rate, and it does affect how much in workers' comp insurance that you pay. It has to do with the risk levels at your place of employment. So the insurance commission, same industry that profits from the, you know, private businesses paying this insurance, controls the EMR, and we thought that deserves some research because it sounds like a conflict of interest. Also we recommend looking at the misclassification of jobs. There have been some complaints amongst small businesses here that there are certain jobs classified as higher risk than what they actually are increasing that EMR rate, which, in turn, increases the workers' comp insurance rates. So -- and that's what it's really all about is small businesses' ability to be competitive. So the greater portion of profits that you are paying for regulatory burdens, the less competitive you are and the less able you are to grow.

Okay. Occupational licensing --

MS. FELDER: Mandi?

MS. MITCHELL: Yes?

MS. FELDER: I have one comment about EMR. I'm sorry. I'm not supposed to break in. I would say even another issue about EMR ratings in allowing small businesses to be competitive is it doesn't necessarily mean when -- your EMR is based upon the amount of labor hours that you are producing as a company, and so you would have a larger company that is not as safe as a smaller company, but when someone is injured, they're not as affected as greatly because they have more labor hours to hide that injury inside of. So that would be a point of --

MS. BAKER: You know, I thought that too, but we had not one injury in like, I don't know how many years, and this last year was a record year of employment, everything. One man, and was like 11,000 or something. I mean, EMR jumped from like a .9 to a 1.8, and I said "How is this possible? That's the first injury in 20 years." And they said that the NCCI sets it. I said "Aren't they the ones that set your EMR?" They said yeah. I said "Can I protest?" They said "No.

You're at their mercy."

MS. FELDER: That's two issues. Yeah.

MR. EVERETT: Is that the federal commission of insurance that sets that?

MS. MITCHELL: Yeah. That's federal, NCCI.

Got it, Courtney.

All right. Occupational licensing --

MS. BAKER: But insurance companies, they select their NCCI and they set their guidelines and you can't protest it. It's like, boom, done. Am I right?

MS. FELDER: Yeah.

MS. MITCHELL: All right. So occupational licensing regulations, one of the areas that we discussed was it impacts businesses at a time that you're registering to do business in Louisiana, you pay whatever fee it is to get your license to do business in Louisiana, you're all registered with the Secretary of State, but at that point in time, there's no linkage or checks and balances for the regulatory body that you may be subject to. And so you may find after you've registered to do business in the state that you have some additional hurdle or that you are in fact not qualified based upon the rules and regs of this occupational licensing entity to do business in "X," "Y," Z. So that's an area that we'd like to look into.

And then licensing issues for ex-offenders, when those individuals are exiting the correction system, so let's say they've gone through all of the training, and this is particularly for the industrial trade center, so HVAC, welding, electrical, construction was an example that was suggested we should model because the contractors licensing board is a bit lenient here, more lenient here as they should be, but those offenders have served their time, they've left the system that they've been trained to work on HVAC or do electrical work or in one of the building -- the other building trades, but they cannot get their own license to be self employed. So then they have to hope that they can find a private employer that doesn't require checking the box. That's a whole other ball of wax with the box. We're not going there. But we're saying in order to give those individuals a chance at self employed and being productive citizens. That's an area we'd like to look into with some of the licensing boards.

And then as I mentioned very briefly on tort liability, we would like to do a little more research on insurance commission as that office has no oversight it appears. They set the rates. You can't appeal to it anywhere. It just kind of is what it is, so, but, anyway, we're going to, in between meeting, staff's going to do a little more homework on that.

So that's the areas that regulatory chose to focus on. For the sake of time, I'm not going to open it up for discussion because I'm mad that I went over. It's six minutes over now, but what I will do is ask everyone as you brainstorm about things we discuss today in regulatory, shoot me an e-mail if you have something that you want us to follow up on.

So next, occupational licensing, Allison volunteered, was volentold to speak for your group.

MS. CLARKE: All right. One of the issues we addressed with occupational licenses is that basically the only way for anyone or entity to impact change there is really through the individual licensing boards or the legislature. So we talked about the areas that came up in the last couple years in the legislature, the hair braiding and florists, where members of the legislature did attempt to make these changes, and we are were not successful. So with what we're thinking broadly about potentially proposing a comprehensive-type bill that would go to legislature that made recommendations on comprehensive changes across the board, not sort of the one-on-one, and more with guidelines including access to licenses for reentry and really addressing like does this industry truly impact public safety or is there truly something that we have to protect the public from in this industry, which is very broad.

We also talked about while working with and maybe bringing Julie Emerson and John Stefanski to talk about their bills and the hurdles that they met when they went to legislature. I talked to Julie a little bit about some of hers, and she was very surprised by them, and so it's where we could give them some backing or whichever legislator, if any legislator, wanted to take the ball on this. You know, we would have the data based on even the numbers we saw today, it's like how do they convince their colleagues and how do they move into bills and how do we work with them and help them and give them the support to move the bills to show the legislators and give them the backing that this is important for economic development, it's, you know, good policy for job creation, but it's really identifying the hurdles to moving these types of policies.

One thing we talked about on the reentry side is potentially working with the boards to create certification programs within the prisons so that when they leave, they already have a certification because they're doing a lot of training through the prison enterprise and all of these other specifically so they could be working on their certification. We talked too about helping and potentially have nonprofits help them with the fees and the training costs additionally that they needed to be able to access because that's one of the, for reentry is, you know, lack of funding or some of the burdens that are already existing, whereas you don't want to create a special group, but help them get into the regular group.

Talked about the House and Governmental Affairs Committee has been looking at the boards specifically in their level of noncompliance and doing their reporting. So I think this next legislature is going to be very ripe with the new members, and like I said, some of it's has been going on a committee level already, to, like I said, try to create a better environment for the public.

Am I forgetting anything?

MR. SOULÉ: That sounds good.

MS. HARTMAN: I think that's it.

MS. MITCHELL: Good stuff. Y'all got some good stuff.

MS. CLARKE: Next? Who was volentold.

MR. GREENWOOD: All right. So access to capital, central theme, four of them centered around debt, equity, incentives and then training education. I'll go to the bottom two first before the other one.

Education, it was noted that we always have some really great incentives and great programs, but the general masses somehow or another don't know about them, and as hard as we all know that we work very hard to get the word out, it's nearly impossible to get folks to understand what's out there. So not only from an outreach perspective, but education about raising capital, things of that nature is something to consider from access to capital group here.

The third one, which would be the second one here is incentives. At the moment, on the books, if my memory serves me correctly, we still have the angel tax credit. The biggest change over the last several years is the fiscal note problem that exists with the way the state's budget is, but I can tell you, with the companies that we've dealt with that have utilized that, very great way to get some capital raised from angels as well as help negate risks from the angel perspective by that tax credit. The big challenge there, though, is the uncertainty in terms of the size, terms of the pecking order, if you will, pro rata, so you can't plan from an investor, especially the high-network folks that have to plan six months or more in advance of how they're going to move their money around. These things need to be known even though it was originally in January, first quarter of the year, calendar year. So if that, you know, comes to light, it's another good tool in the toolbox for capital raising.

Talk about debt next, which was the first one I mentioned. It still is an issue. So no matter what stage of and what city you're in, town, parish, that seems to be always a common theme of difficulty getting loans depending on your stage in company. I think primarily in that space we have certain areas where we have a lot of underserved areas where credit score is an issue, so that leads to the fourth one that I talked about, education about how to get those scores up so you become bankable is one piece of it, but the other piece from a debt perspective is we talked about potentially surplus funds, allocation to a loan fund. If that's something that works, then you have to look at it do you do it industry specific or all industries, do you do it size company or not, and I think it's all of the above in some respects.

In that world, definitely working capital, lines of credit are important to small business. The challenge is most or early stage small businesses don't have it, and it's because history has shown, as a former recovering banker myself, that the small business owners have a very difficult time managing the their line of credit, paying it down, you know, it becomes permanent, things of that nature. So that's one phase of it. And then mezzanine is another debt feature that we seem to have limitations to, and a number of BIDCOs way back when used to do a lot of mezzanine financing there, as well as growth financing from a non-technology company base. That's from the debt side of our table conversation.

The equity side, so the state has always had an important role in that in some respects from an economic development as far as I know and what I do today in my day job, and it's done in different fashions. As discussion here is is that, you know, what industry do you look at, if at all, or do you look at all of the industries? What stage do you look at or is there a specific stage that you look at?

Well, the conversation at the table was that we shouldn't limit it to just one or two industries. It should be, if it's a good deal and it brings, you know, a good opportunity for a company to grow inside the state boarders and hire a bunch of people, then that should be a good, wise investment and an opportunity there.

Stage-wise, the biggest challenge is from the idea stage to up to pre-revenue and right at, you know, $1 of revenue generation. I think that's the highest risk that anyone takes, and that's the hardest way to raise capital in that space. If you get over that, you start developing revenue and you start developing scale, then the big venture capital companies are going to step in or private equity would step in to help you raise capital to grow on that part.

So another topic of discussion was maybe looking also at generating some of the universities have their own little mini, I don't know what it's called, other than maybe a mini ideas capital, up to 25,000. Kenny would probably know what it's called over at LSU. And it's to foster innovation in the university spin out the technologies and those startups.

MR. ANDERSON: I-Corps.

MR. GREENWOOD: I-Corps. Thank you. I couldn't remember.

But I-Corps is the program at LSU. Other universities do research. You have Tech, Tulane, UL of Lafayette and a host of others that do a little bit of research. So if any equity is found, it would be set up. You would want to have a piece of that carved out for that stage perspective, and then I think the bulk of it would be considered in the, you know, pre-revenue to right after launching revenue before you really get into the scale, because that's hardest space to get.

As far as what role should the state be playing in, we discussed that, tossed around like several years ideas, but at the end of the day, it's all about risk management or profit motive from the private sector perspective and that it's best that, you know, the state play a role in creating sort of what I would call the score card, if you will, of the outcomes that the state would like to see, whether it's, you know, job creation or growth or business development, but also have third-parties be the fund managers and have the state not have to build that infrastructure, personnel and training. Same way on the loan fund, you already have it set up. The challenge is going to be do you have bandwidth to be able to underwrite deals appropriately to mitigate risks and things of that nature, but it could go both ways where you outsource the entire equity side of investments, whereas on the debt side, you already have that infrastructure and maybe you could do your own direct loans in house or you could outsource it through your guaranteed lending program with other banks on that.

So did I miss anything?

So that was our report.

MR. SOULÉ: Excellent.

MS. MITCHELL: All right. Very thorough. Excellent. We have some smart people in here.

Okay. So thank y'all for that.

What we did today, you, the business owners being in the lead is exactly why we designed this commission, this council to be made up with actual business owners because we get to hear what's really happening on the ground and what recommendations are actually going to solve issues and not just create another law or another piece of paper or another policy.

So, anyway, thank y'all for that. I am so sorry we have gone over, so as a result, I'm not going to read the full president's report. I'm going to follow up in and e-mail that to you-all, but I cannot leave this room and not let you-all know that LED's Small Business Services Team was awarded the Gold award by the International Economic Development Council for the suite of services and the impact that those services have had on small businesses in this state. So we are doing things right. We have more to do, but I want y'all to know that this team, your team, funded by your taxpayer dollars, got the highest award by an international council. And Stephanie and I had the pleasure of being together to receive that award in Indianapolis two weeks ago, three weeks ago. Time's running together.

MS. HARTMAN: I don't know. Might have been longer.

MS. MITCHELL: They need to be recognized, so thank y'all for your work. I will follow up via e-mail with the rest of report. A lot of other good things happening in our state that y'all should know about.

Other business, and, Mr. Chairman, I hope you don't mind me just running through the rest of the agenda. I feel bad for keeping y'all over. I'm a stickler for time. We are going to send out a Doodle poll by our next meeting. If we do need to meet in December, it is going to be sometime during that first week, so expect a Doodle poll. We can't do any week after that, not just because of the holidays, but because the Joint Legislative Committee on the Budget, they tend to hold their meeting during the second week, and that takes a lot of resources from LED.

Any comments from the public?

MS. CLARKE: Go vote. Early vote is open till 6.

MS. MITCHELL: Go vote early. November 2nd through November 9th. We don't care who you vote for. Honestly we are a non-partisan group people. LED doesn't care. Scratch that from the record.

No. I'm teasing. But seriously, please go vote. It was impressive to see the highest early voting turnout ever on the first day of early voting, counting the 2016 Presidential Election. So we need to keep that up that same energy. Go vote early.

MS. GARRETT: And one other thing on that, tell your family, friends, neighbors, coworkers, everybody else who watches anything college football or thing related, the college games are all away on the day, election day, and Saints play in Tampa on that Sunday, so people will be traveling, so they need to go and vote early voting before Saturday.

MS. MITCHELL: That's why we're pushing early voting.

All right. Thanks you, Madam Lady from the Secretary of State's office for doing your job.

Okay. I think that's it for the agenda. Any other business before I turn it over to Mr. Chairman to entertain a motion to adjourn?

(No response.)

MR. KRAMPE:

Can I have a motion to adjourn?

MR. SOULÉ: So moved.
MR. KRAMPE: So all right. Second?
MS. MITCHELL: Second.
MR. KRAMPE: All in favor?
(Several members respond "aye.")
(Meeting concludes at 1:23 p.m.)

REPORTER'S CERTIFICATE:

I, ELICIA H. WOODWORTH, Certified Court Reporter in and for the State of Louisiana, as the officer before whom this meeting was taken, do hereby certify that this meeting was reported by me in the stenotype reporting method, was prepared and transcribed by me or under my personal direction and supervision, and is a true and correct transcript to the best of my ability and understanding;

That the transcript has been prepared in compliance with transcript format required by statute or by rules of the board, that I have acted in compliance with the prohibition on contractual relationships, as defined by Louisiana Code of Civil Procedure Article 1434 and in rules and advisory opinions of the board;

That I am not related to counsel or to the parties herein, nor am I otherwise interested in the outcome of this matter.

Dated this 25th day of November, 2019.

ELICIA H. WOODWORTH, CCR
CERTIFIED COURT REPORTER

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