

LOUISIANA ECONOMIC DEVELOPMENT

Moderator: Mandi Mitchell
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12:07 pm CT

EJ Krampe: ...will pass and with that I'll turn it over to (Sonja) for the call.

(Sonja): Hi. I'm (unintelligible) calling the roll Secretary Don Pierson?

Don Pierson: I'm present.

(Sonja): Mandi Mitchell?

Mandi Mitchell: Present.

(Sonja): Allison Clarke? (Felicia Garrett), Bryan Greenwood?

Bryan Greenwood: Here.

(Sonja): Kenny Anderson?

Kenny Anderson: Present.

(Felicia Garrett): (Felicia)'s here. It takes a minute to un-mute, sorry.

(Sonja): Okay. John Everett? Edward E.J. Krampe?

Edward E.J. Krampe: I'm here, thank you.

(Sonja): Okay. Courtney Davis?

Courtney Davis: Here.

(Sonja): (Cassie Felder)?

(Cassie Felder): Here.

(Sonja): Tanita Baker?

Tanita Baker: Here.

(Sonja): Vince Hayward?

Vince Hayward: Present.

(Sonja): Angelica Rivera? Bill Sawyer? (Rick Pasulo) and Iam Tucker?

Iam Tucker: Present.

(Sonja): Thank you.

Mandi Mitchell: Thank you (Sonja). Okay, Mr. Chairman if I may would you like me to proceed to Item 3?

EJ Krampe: Yes please. Thank you.

Operator: All participants are now in listen-only mode.

Mandi Mitchell: Thank you sir. Thank you, and again this is Mandi Mitchell Secretary's Designee to the Small Business and Entrepreneurship Council and serving as moderator today so we can move through our meeting, our conference call meeting as efficiently as possible.

And our third agenda item is a discussion and vote on the revised Small Business and Entrepreneurship Council report. We sent the draft revised report out to the full membership over a week ago so hopefully our members have had time to review the report.

At a very high-level Secretary Pierson reached out to our team the Small Business Services Team myself and our State Economic Competitiveness Group with a recommendation that we enhance the report to expound and elaborate further on the successes of our small business efforts over the years and also to make the report more presentable.

So, the product you have in front of you, members, is just that. The most substantive changes that you will see are to the executive summary where we go into further depth and greater detail of the efforts of the Small Business Services Group and Team and supporting teams over the years.

In addition, the only change made to recommendations was an addition to the regulatory section specifically pertaining to Worker's Compensation and that was to add language acknowledging the incremental improvements made by the legislature and the Office of Workers Comp Administration over the years

as it pertains to improving the regulatory environment as it pertains to workers compensation.

No other recommendations of the council were altered in any way. In addition, you'll notice that the appendix has been added to the report. That was another commitment that was made by the department and as you'll see the appendix is quite extensive. It contains a lot of details to support the findings and the recommendations in the body of the report.

The last comment that I will present to you pertains to the revised LSBEC final report is after a conversation with the Secretary of State's Office on Page 20 in the Occupational Licensing Recommendation section we have a recommendation to reword the bullet point as it pertains to the GeauxBiz Portal.

And the recommendation is to reword that as follows: "Encourage the Secretary of State's Office to continually optimize and build upon current measures taken to enhance access to information on occupational licensing requirements, of state licensing boards and commissions through the GeauxBiz portal." So, it more clearly articulates the same messaging that we had already included in the original report.

So that - with that said, that summarizes the enhancements made to the final report of the LSBEC and at this time we'll open it up for a discussion or a motion to approve adoption of the report and members of the LSBEC please remember press Star 6 to un-mute. The floor is open for comments or for a motion.

Iam Tucker: I'll make a motion this is Iam Tucker to approve.

Mandi Mitchell: Thank you. Do we have a second?

Courtney Davis: This is Courtney Davis. I'll make a motion to second.

Mandi Mitchell: Thank you Ms. Davis and Miss Tucker. Any discussions? Any comments from the public? Okay and at this time we'll open the floor for a vote of the full membership of the LSBEC.

Remember Star 6 to unmute. All those in favor of approving the revised the revision to the final annual report of the small biz entrepreneurship council please say aye?

Woman: Aye.

Woman: Aye.

Man: Aye.

Man: Aye.

Woman: Aye.

Man: Aye.

Mandi Mitchell: Any opposition? Okay hearing no opposition the ayes have it and the Small Business and Entrepreneurship Council's Inaugural Annual Report has been revised and is approved by the full membership of the council. Thank you.

That concludes Agenda Item Number 3. And at this time we will move to agenda Item Number 4 which is to receive an update on COVID-19 efforts of

the Department of Economic Development from our Secretary Don Pierson.

Don Pierson: Thank you Mandi and thank you to the entire commission here today. First of all thank you for taking the time out to review the enhanced document. I just feel like a proud papa about this thing.

It's a tremendous body of work that we've put together in part because four years ago there wasn't enough emphasis placed on small business support. And the department has worked very, very hard under the leadership of our Assistant Secretary Mandi Mitchell, Pat Witty and his entire Small Business Services Group.

Stephanie Hartman, I know you're on the phone right now, (Darrell), the whole crew over there has pushed hard for a long time and we've captured so much that I really wanted to make sure that it was included in this annual report.

And by beefing up the annex there it actually becomes a document of great value that we can provide to organizations and others because there's such a robust listing of all of the resources available out there.

So again the importance of small business and even more extenuated in this pandemic than ever before. We've got a great baseline document that we can work from and captures a lot of the important recommendations made by the commission.

Of course we're going to be going back again at some point in time because everything old is new again. There are so many changes now in this new world that we're confronting at this time.

And so our work is by no means finished but the apparatus there to review, make recommendations and support our small businesses and the entrepreneurship environment that we find ourselves trying to work against very hard to improve on the entrepreneurship opportunities out there is important work that this commission will continue to be about.

I did want to take just a few minutes to - I know you're corporate leaders or small business leaders that you're maybe organizational leaders or people who work for you to be current, maybe many of you are.

I certainly hope so, but if you felt like you've been busy doing things related to your community or your business or your association and haven't had a chance to really keep up I'll just try to give you this thumbnail recap for a very quick moment.

But the first thing that we have done in this environment and if it had been a hurricane, tornado or some type of a physical damage the first thing you do is search and rescue. In this environment we found ourselves in working under the governor's direction and main leadership that governor's office and Homeland Security and Emergency Preparedness is to surge and rescue.

By that I mean a lot of focus has been on bringing up additional capacity in the hospital and healthcare delivery systems providing what we call step down facilities where you can take people out of the hospital that weren't as sick as some of the patients that may need to go into the facility and increase capacity that way.

You may be familiar that we've set up the flow hospitals in Morial Convention Center and other locations and have also been in the business of trying to acquire personal protective equipment, PPE and the ventilators.

So this has been a very robust effort that we have been involved in over the last few weeks while we at the same time are reviewing small business issues trying to bring things to bear that may be very helpful. Mandi and (James) have been working on a couple of new initiatives in that regard.

Pat Witty and the entire Community Outreach Services Group have started to respond to small businesses across our state through a hotline which is manned from 8:00 am to 8:00 pm daily 833-457-0531, that number again 833-457-0531 gets you in touch with somebody that can direct you to where answers may be found to questions concerning your small business.

That may be over at the Workforce Commission with insurance-related issues whether that's insurance benefits or unemployment insurance - those kinds of things to the Department of Revenue where we roll back some of the reporting dates and some of the other dates around activities with Department of Revenue. Anyway just a great clearinghouse at the phone number is available.

Also importantly standing up a resource page at www.opportunitylouisiana.com. That's the LED Website COVID banner there, click on that, and it takes you to a full listing of current federal programs running down to state programs. And I think very importantly beyond that offering as many regional programs that are there for his assistance as possible.

And if any of you have additional links, recommendations for us we're happy to continue to keep that current and grow it as a resource for our small businesses across the state.

In addition to that Mandi and I and others have been participating on, you

know, what were daily calls but have now (unintelligible) gone to weekly calls with a number of the state agencies interfacing with a number of business-related associations across the state. So it's sort of a robust effort against that.

More recently we launched our Louisiana Guaranteed Loan Program. Again the COVID banner will take you there or at LEDBiz.com. That's LEDBizloan.com. It will take you to our page where for small businesses where SBA's got a number of great programs out there.

We're not competing with the SBA. We're complementing what the SBA is doing but for SBA 500 or fewer employees, great program out there for payroll protection which has a forgiveness feature to it. for those qualifying expenses it's actually money that you won't have to pay back. that's great.

if you just need working capital or other SBA authorized fund utilizations they have their economic injury, disaster loan program. And we encourage folks to participate in those programs. PPP, Payroll Protection Program is up to 10 million. The injury, the Economic Injury Loan Program is up to 2 million and they're great programs.

But to complement those programs we have pushed a loan guarantee proposal out which has been agreed upon with the Louisiana Bankers Association. We did this in concert with them. We polled their membership, we talked to their membership about ways that we could improve the proposed program they had.

They gave us some great ideas on how we could improve it. And we've rolled that program out now. Banks are signing up and at that Biz Loan site that I touched on. You can see the participating lenders. We're going to continue to

grow that group of participating lenders.

By doing a loan guarantee program we're able to bring a \$50 million allocation of funding to small businesses across our state. It's done with no requirements to go and ask questions in Washington or Baton Rouge or Atlanta or anywhere else. This is you and again your participating lender.

Hopefully it's your loan officer that's one of these lenders. And he already knows you or he has all your paperwork. The loan can be for companies of under 100 employees up to \$100,000. It's got a six month no pay holiday on the front at zero interest. And then after that sixth - after the 180 days you move to a 3-1/2% max rate.

The bank can dial it down a little bit if they choose to, but 3-1/2 percent, want to make the terms paying it back as flexible as possible. So you and the bank determine whether you pay back in one, two, three, four or up to five years with that money that again doesn't have any kind of requirements coming from LED.

The requirements are generated by the bank and your loan officer. So they're going to do the credit analysis, the underwriting and disbursement and can do all that very rapidly.

So it's a great program. I think we've got commitments roughly at about \$30 million right now. We're still bringing on banks and credit unions so that next group of funds of to this \$50 million that we have then the \$20 million that we'll continue to allocate out there will get parsed out to banks and we'll try to make sure that we're in every region of the state.

That was one of the things that we looked at and again we'll continue to

populate against that but a very important tool that we put out there. And so for some groups such as maybe restaurants and others that have a harder time with the SBA this is a great tool that's now made available to them.

Next chapter moving forward onto the horizon is one that we focused on really right now as we assess the situation that we're in taking great care to work. And Mandi's done a great job for this a - with a review of the CARES Act program coming to us from Washington parsing out a lot of funds both for individuals but importantly to companies through the SBA mechanisms.

But there's been money in there for our universities and other utilizations. We're trying to make sure that we put a great deal of effort placed in how we optimize and engage all those resources that are being made available right now.

Some of them are requiring additional guidance and other features but we're working in that direction and we're starting to put together a group that will build the resilience of our state going forward under the governor's direction.

I don't think he's ready to announce it today, but I think very shortly across many of the sectors in our economy so including small business and retail, healthcare, tourism, restaurants, et cetera, we're going to begin to focus on the same approach that we're talking about here, survey the available resources that are out there from the federal government from whatever resources are maybe beyond what the federal government's putting out that could be philanthropy, a lot of different elements there but also to integrate the best practices.

We're in touch with the National Governors Association. We had a network of commerce secretaries across the 51 states, 50 plus Puerto Rico and we're

cherry-picking great ideas and great programs and bringing those.

All those are going to be presented and pushed through this condition commission that will act as a clearinghouse for great ideas, great policy recommendations, ways that we can be responsive to the governor, to the legislature, to communities, to stakeholders in guiding the sort of unknown pathway that we're all going to have to watch and walk along and get to milestone after milestone to head towards the best vibrant economy like the one we were enjoying just 90 days ago.

So these are a lot of our focal points. I greatly appreciate your time today, your commitment to small business and entrepreneurship and the way that we're able to utilize your recommendations to create better policy recommendations.

And going forward to the executive branch and the governor and to the legislative branch and a lot of stakeholder organizations that we have out there. With that I'll pause. Mandi I'm willing to take some questions but also would like to be excused after that because there's some other pressing engagements.

Mandi Mitchell: Thank you Secretary Pierson. Any members of the Council have any questions while we have Secretary Pierson on the line?

Diane Tucker: I have one. This is Diane Tucker. I'm sorry.

Mandi Mitchell: Yes go ahead

Diane Tucker: I have one clarifying question on there just to be in an abundance of caution. Of course you know about the Paycheck Protection Act. I think many of the

small business owners on the phone are probably PhDs in this information as it comes out every single day with new info.

But one fear or one ultra-sensitivity that we want to make sure the small business owners in going through this Paycheck Protection Act on – we're going to ensure that the other loan programs that we go after have no federal dollars attached to it at all so that we don't - we can click the box with certainty when applying for those loans.

So we - can we just clarify again that the programs that you're talking to whether it's the loan guarantee program or any others don't - aren't going to affect us in applying for those Payroll Protection Act dollars with the federal government?

Don Pierson: Mandi, do you want to answer or do you want me to answer?

Mandi Mitchell: So either one, either one will be fine. I am our team, we have gone through every channel that we know to the SBA and confirmed that any small business that participates in the Louisiana Portfolio Guarantee Program will not be dinged or penalized for subsequently applying for funding through the Paycheck Protection Program or the Economic Injury Disaster Loan Program.

Though that is the guidance we have received. We are doing our best to get it in writing but at least three of us through three different channels to the SBA and through members of Congress have received assurances that in this environment the small businesses are trying to survive and maintain and retire to keep their businesses thriving so that - keep their businesses active so that when we reopen we can flip a switch, we're not going to be penalized for taking advantage of state support.

Diane Tucker: That works for me. That sounds great. Thank you.

Don Pierson: I called on Mandi because I knew she would do a better job of answering it than I would but she's spot on. Our money has a very pure pedigree. It is only a state commitment. But there's is no federal interaction. We are in partnership to the fiscal agency the LPFA with the banks.

And again as Mandi has indicated, every piece of guidance that we have indicates that there are no conflicts and no penalties by taking advantage of readily available opportunities with our program, doesn't and so lock you out of any others.

Mandi Mitchell: Yes and we also have that in an FAQ document created by the Senate Small Business and Entrepreneurship Committee. That very same question was asked of the committee so frequently that they included it in an FAQ. So we have that as well. Any other questions from the membership of the LSDEC for Secretary Pierson before he has to depart? Okay okay...

((Crosstalk))

Don Pierson: Yes thank you (unintelligible).

Mandi Mitchell: Yes, and...

((Crosstalk))

Mandi Mitchell: ...just know that if you will do you can always email those up to me at - or direct it to the secretary and we'll get those questions answered - those questions that you have for Secretary Pierson. Thank you Don.

Okay, very briefly I just wanted to supplement a little what Secretary Pierson shared as far as LED's efforts and how we're engaging in the response and eventual recovery from the public health crisis we find ourselves in.

I have been tracking federal legislation and I know by now our members gain small businesses and small business practitioners, we all should have PhD's on all of the federal programs as Vice-Chair Tucker just mentioned.

But I wanted to share some things that I have learned just in participating in calls with members of Congress that I felt would be of interest to the group. So in the first week of the launch of the Paycheck Protection Program the SBA processed 90 billion in loans and guarantees which eclipsed everything that they processed cumulatively in the year of 2019. So \$90 billion in the first week with about \$100 billion in the queue.

The Paycheck Protection Program applies to about 90% of the companies in the United States not that all 90% will apply. But the way the eligibility criteria is written that's the volume of US companies that the Paycheck Protection Program is applicable to.

So that, I guess, will put into context the reasoning behind the SBA and US Treasury sometime - I guessed slow response or difficulty in keeping up with the volume of applications. And they have requested additional resources in the form of manpower, and womanpower and also capacity as well to be able to handle the volume.

In addition at this point in time our members of Congress are deep into negotiations about at least an additional supplemental funding of \$250 billion to be added to the Paycheck Protection Program. That is how much demand

has been placed upon the program and that is a testament to how much need that their - that still exists.

So we are keeping a close eye on those negotiations as Congress returns to work the week of the 20th in hopes that our members can move forward in the spirit of bipartisanship and reach a deal on moving forward with providing additional funding.

And then I just wanted to also share that private companies Square, PayPal and Intuit have been approved by the Treasury Department as application processors.

So I think the Treasury is trying to bring in some support from the private sector to be able to move more applications and move there more quickly. So that's all I wanted to share to kinda supplement was Secretary Pierson provided as far as our update.

And that being said we will now move to our agenda Item 5 which is sort of a roundtable of our membership. What we'll do is ask each member if you have any comments or questions or concerns that you'd like to share or ideas then now is your time to do it.

And just so that we can move efficiently we're going to kind of go in the order of roll call and we'll ask each member to take about ten minutes just to express any concerns that you have pertaining to the state's response to coronavirus and/or any recommendations you have as it pertains to recovery, economic recovery if you will.

So with that being said I'll just go down our usual roll call order and remember members it's Star 6 to unmute and we'll start with Allison Clarke

from the Office of Go Biz. Okay all right and we'll move on to (Kalisha Garrett).

(Kalisha Garrett): Hi, good afternoon, thank you for having the call. As it relates to (unintelligible) small businesses are experiencing right now I think that we've had a great concerted effort of getting information out.

I would just share these states' site Office of Procurement is a great help to those individuals that are trying to apply to receive information in order to respond to any opportunities that they are available still to participate in.

But for those consultants or 1099 contract workers there's still some, not so much discrepancy but I guess just uncertainty around their ability to be able to apply for any type of relief during this period of time.

There's still a little bit of confusion around if the client the person that the ambulance work for is the person that is supposed to provide or request those funds and to continue payments with them. So there's still some difficulty in identifying if they are able to participate in programs.

And I think that what you all have put together as far as this loan program that is available is significant and (unintelligible). As we were talking I've been actually sending this to a few of the banking facilities that are members with our organization in hope that they can (unintelligible) participants as a lender on this side.

I do want to also have one state of caution that there are some businesses, business members that I have been speaking with who do not believe that they would be able to come out of this economic disaster operating in the same sense, i.e., the business that they were running, they will not be able to

continue to do so by the time they come out of this disaster.

So I just want us to start looking towards what would be some help that may be able to be provided to them and how are we going to address those businesses that may have had either inventory or dated assets being dated with a physical date that are not going to be able to be used, those are losses that they are going to experience.

And that the loans - I mean the insurance companies (unintelligible) business interruption because of this epidemic like they're kind of at a loss of how they're going to be able to get those funds back or have it replaced or recruit or have some type of transitional funding to be able to kind of move into another lane.

And I know that's a lot but I've literally been inundated over the last 2-1/2, three weeks with those types of concerns from the membership base that we deal with.

Mandi Mitchell: That is duly noted. Thank you (Kalisha).

(Kalisha Garrett): You're welcome.

Mandi Mitchell: All right next member Mr. Bryan Greenwood which by the way I want to give kudos to the Louisiana Small Business Development Centers for the work that they're doing to support small businesses that are trying to navigate the application process at the SBA be it the Economic and the Disaster Loan or the Paycheck Protection Program. Thankfully those applications have been streamlined but still the LSBDCs around the state are providing technical assistance.

So Bryan you have any comments? You have the floor. Star 6 to un-mute if you're still with us. Okay great. Oh, I just got a note Bryan had to jump off the call momentarily. All right, next is Mr. Kenny Anderson with the Stevens Entrepreneurship Institute. Star 6...

Kenny Anderson: Yes can hear me?

Mandi Mitchell: Yes thank you.

Kenny Anderson: Good deal, good to hear everybody's voice. I appreciate you setting up this call Mandi. This is a great update from (LB)s perspective.

As you guys probably know they pretty much canceled everything, classes through summer and all of our programming and community efforts to at (unintelligible) institute as of (unintelligible) students community effort. And the ones that we had coming up the week before the start or this - the week after I guess it was started.

It was a six-week boot camp for community members, small business. We had 50 people signed up. We had - we were flying entrepreneurship guy from Notre Dame the (unintelligible) class thing. So we're currently working on getting those modules online and to be delivered remotely.

And I think the one sort of blessing in disguise here is that our cast member of 50 can pretty much be unlimited now. (Unintelligible) And so once we get that retooled it's going to take us a little bit.

We've got to get these students graduated first, But as soon as we get that taken care of I think that one of the six initiatives that we were working on only two of the six were community facing but this one that will be, I think

will be able to be delivered effectively remotely.

And so I know that these - the mayor's Webinars and (unintelligible) conference calls have had a significant increase in volumes. Obviously the need is there so once we get this thing retooled we hope to be able to deliver this particularly with (unintelligible) with full scholarships and/or (unintelligible) disappoint (unintelligible).

So from a community standpoint that's really the only thing that we're working on right now. Like I said we've all had to scramble to get our classes online teaching the (unintelligible) course entrepreneurship 4040.

And so it's been interesting but we're getting through it, so no students on campus. I have not been to the College of Business in three weeks or so everybody's doing their best to move remote we've been having faculty meetings and everything so (unintelligible) kind of fits with we haven't seen this kind of - you know, we don't see small business clients necessarily day to day anymore. We still do a lot of consulting work often.

Mandi Mitchell: Great, thank you Kenny and we were so looking forward to your boot camp. And good to know that you're looking at alternative ways to deliver that same programming because we cannot forget about those individuals who were in the class both starting a business when this pandemic hit. So we definitely do not want to lose that entrepreneur spirit. We don't want the fire to die out so thank you for that update, Kenny.

Kenny Anderson: Absolutely. Thank you.

Mandi Mitchell: Okay Mr. (John Everett) were you able to join? As you all know John is the EDP at Iberia Bank and as you can imagine right about this time our banks are

super busy trying to process the needs or applications of our small businesses. Mr. Chairman if it's okay with you I will skip over you and have you have the final word. Okay so we'll move to Courtney Davis.

Edward E.J. Krampe: That would be fine Mandi.

Mandi Mitchell: Thank you E.J.

((Crosstalk))

Courtney Davis: I'm here. I think it's just a second for it to un-mute. So I know you're going to ask for like kind of concerns that maybe the kids are going through right now. I know a lot of them that I've been hearing have already kind of been addressed.

The one concern that I can tell you personally that we have at (Bart) is since all this started obviously there is a hope on the services that we provide to our clients such as relocation. They're basically moving businesses right now or our offices. I'm sure it's going to pick back up after the fact but, you know, that has stopped at the moment.

So what we did was furlough are employees because what we have to do right now is hold onto as much revenue dollars as we possibly can. So we furloughed all of our employees so that they could get on the federal and state unemployment. We're still handling the healthcare side.

We haven't laid anyone off but that allows us to bring them back at any point in time as soon as we kind of can, you know, get operations going. The concerns that we have is that we've applied for the PPP and I am praying I know some businesses want that money right now.

For me I am praying. It takes a while to get approval. And the reason being is that currently my employees can be taken care of and I don't have to use the revenue dollars to make it happen while I don't have revenue coming in that leaves us in a better position to make it through this, you know, and be - and still be good on the other side.

So I guess what my concern is is that once the PPP loan is approved you have to bring your employees back. I think you have ten days at the most to bring your employees back.

But if this goes on for much longer on the quarantine side of and we can't actually get back to business yes great, I have this revenue right now to pay for eight weeks for my employees but it doesn't really kind of give me a little bit of a buffer to where I can get operations going while I'm utilizing that money so that I, you know, so that we don't run out of funds before it's all said and done.

I mean as worst-case scenario say this went on for, you know, weeks upon weeks after the fact, I can't furlough my employees again so I don't know what that means.

But it would be nice if there was an opportunity for us to get more information on when this is going to end before we have to actually bring our employees back in and start paying that payroll that would be - if that makes sense that's, you know, kind where we're at.

Mandi Mitchell: It does make sense Courtney. And I'll tell you what I have learned from conversations with SBA that it's 30 to 45 days for the approval once you've submitted a completed application.

I know they have been trying to condense that the time window, but that is the timeframe that they are quoting to applicants. Once you submit a completed application and get your confirmation number 30 to 45 days.

Now that only helps you with half of your concern. The other half is obviously small business owners but really just business owners in general need a sense of when we're going to start phasing in or reopening the economy.

And, you know, Secretary Pierson alluded to it during his report out and the governor mentioned this on at his press conference yesterday. The governor has assembled or is in the process of assembling an Economic Recovery Task Force.

Of course, that's not the official name but the task force will be led by economic experts and a health expert so that we start looking - start having a forward-looking approach to reopening the economy but doing so in a safe manner that's safe for employees, for businesses and for the general public.

So I would just tell you stay tuned, stay close to the news towards the end of this week as far as the announcements of this task force. And this task force one of their first points of order will be to inform the governor based on the data as to how to best reopen, how and when is the best to reopen the economy. So...

Courtney Davis: Well I'll start maybe looking for that. Thank you.

Mandi Mitchell: Yes. All right, anything else Courtney?

Courtney Davis: No that's all.

Mandi Mitchell: Okay thank you. Ms. (Kathy Felder)?

(Kathy Felder): Hey Mandi, thanks for having me on the call. I don't think I have too many other questions other than there's the loan for a grant that is in partnership with (OEB) that (unintelligible) is that available yet? The last I emailed with you last week it - have - the funds weren't available as of yet?

Mandi Mitchell: So yes the funds are available. There are several - there was one particular bank I think that you had inquired about that...

(Kathy Felder): Right.

Mandi Mitchell: That had not yet started processing applications. They were one of the last banks to enter into the conversation with the state to participate in the program.

But they were a little bit late to the game. But what I - yes those funds are available currently. There - we have a list of participating banks. I'm going to make sure to send that direct link to everyone on this call when we conclude the call. We are constantly growing the number of banks that are participating.

Again we reached out to the Louisiana Bankers Association and, you know, devised a plan and the framework for this program to make sure that banks felt comfortable proceeding with participating in the loan guarantee program. So yes that program is up and running and then I'll make sure to follow-up with a list of the participating banks.

(Kathy Felder): Great, thanks. That's pretty much it.

Mandi Mitchell: Okey-doke . All right Miss Anita Baker?

Anita Baker: Thank you so much.

((Crosstalk))

Anita Baker: Say this call today has been so valuable just to me. It's - let you know so I could pass things on to other people. I think I need to really commend our governor whose daily updates have been fantastic.

I mean the state of Louisiana has kept everyone informed on what's going on, you know, what's happening where you can go what - if you need help. I think that the loan, the \$100,000 is wonderful and I just want to say thank you.

So far we have not laid anyone off. We're still supporting - I mentioned that we had to move out of in 12 hours in Beirut Lebanon. So luckily I've been able to keep all of our people on board as of now. But again thank you so much.

Mandi Mitchell: Very good. Thank you Ms. (Baker). We appreciate that. And I appreciate your perspective from - for running an international business. Momentarily I forgot about that because you - I mean you're in multiple countries so hopefully this is not impacting you to severely and it's good to know that you've not had to lay off any of your employees. But if things get tricky just know that there are resources at the federal and state level. So thank you.

Anita Baker: And that's - yes that's so wonderful. Yes we had the Beirut mission. We were given 12 hours before the airport was closed, the (unintelligible) was close on (unintelligible) in and the embassy would become only necessary personnel.

So we had 12 hours to get everybody out of country. It was very interesting. But we did it. You know, you never realize your resources until then. But so far everything is very good and I thank you.

Mandi Mitchell: Thank you. Ms. Tanita Gilbert-Baker?

Tanita Gilbert-Baker: Thank you Mandi. Again I also appreciate you putting this call together and everything that you guys are doing in the state of Louisiana. We also have not laid off or furloughed anyone with our work. We do a lot of work for the federal government and for the different municipalities.

So we were considered to be an essential business. The Payroll Protection Program has been very valuable for us as far as, you know, continuing to keep people employed and keep paychecks going. I don't have much to add other, you know, from what has already been stated.

One of the things that I have seen her feedback that I'm getting as it relates to minority businesses is, you know, I think there's some lessons learned through this experience in the way that some businesses operate, you know, and the challenges they were faced when the time came to apply for some of these programs, just hearing, you know, as far as paperwork how they deal with employees even to having commercial banking accounts.

So I just pray that everyone gets through this as best they can but that we also see these lessons and take heed and try to help our businesses overcome them for the future.

Mandi Mitchell: Yes, thank you Tanita. And, you know, to your last point we've got their feedback as well that minority businesses and some women-owned businesses

have had difficulty accessing the Paycheck Protection Program because some banks have taken the position that they would prioritize or only service their existing customers.

And which is why US Treasury has been - has relaxed the rules on which banks were SBA approved lenders so that as many banks and community banks and CDFIs throughout this country would be eligible as lenders through this program to try and reach as broad a segment of the business community as possible.

So yes definitely for minority businesses there's some work that needs to be done because those businesses are in some cases underbanked or don't have access to, you know, a traditional bank or a traditional lender.

And that's just one of a number of issues that have been uncovered throughout this crisis. But yes good point. Thank you Tanita and just know that that's an issue among a number of issues that governor wants to focus on throughout the recovery and resiliency aspect of this public health crisis. Thank you. Mr. Hayward?

Vince Hayward: First of all I'd like to echo the sentiments that this call has been very helpful and really appreciate Mandi your efforts and the efforts of the LEC to do everything that you're doing to help so many small businesses especially the underserved minority-owned businesses that are so prevalent in our state that really need extra assistance.

And although that's not me, I have a tremendous sense of compassion for those in that predicament and it – I applaud your efforts and I I feel really good about our state government and our state when I hear stories like this.

Maybe food for thought in the future maybe there's, you know, maybe there's sort of a partnership program or something that business - that where the LED could partner businesses together to help either assist or mentor or just offer advice.

So maybe there is a opportunity like that in the future just to exchange information from businesses that have, you know, maybe expertise or information in some areas that other business owners are looking for that they could just simply exchange information from a perspective of being helpful. So maybe that's something LED can facilitate, not like you don't have enough on your plate already I'm sure.

So I would tell you that the Web site for the LED loan program was fantastic - a lot of great information there so that good. And to Courtney's concern about finding your PPP loan to most benefits you, from what I've seen from some of my friends is that the bank will allow you to basically schedule your closing to help you most advantageously take advantage of the timing for that because so just when your loan does come through you can talk to your bank about scheduling a closing date.

From my perspective and our organization's perspective we've made the decision not to do layoffs. Part of our business has been severely impacted. We have I would say we're operating at around a 5% of capacity of what we normally do.

On the other side of our business the beans, we're in the bean business and were at about 150% of normal capacity there. So we're having to add a second shift and try to meet demand from customers both locally and across the country.

My perspective on this crisis is that this is a period of time in which we ask you to navigate. And our motto is essentially live to fight another day. And, you know, we have to get through this. We will. And, you know, not only are our nobody's going to look different as we exit the other side of this, our country in our society is in general.

I think that's it. You know, just sort of hang on for this ride and make it to the other side and that's our strategy at the moment and to keep, you know, my primary concern is to keep all of our team members and their families safe and, you know, free from this virus if at all possible.

But on a personal note I contracted the virus about three about a month ago. I went through it. It really wasn't a big event for me. It was kind of like having a severe case of bronchitis but beyond that it wasn't a - I was very fortunate but it wasn't a big issue but I'm on the other side of it now and feel great so that's it, appreciate everybody being on the call. I miss seeing your faces and we'll hopefully the next time we have this meeting will all be in person.

Mandi Mitchell: Thank you Vince. And tell you what, we're glad you're okay. We're glad you made it through coronavirus we're very grateful that you beat this, you beat the virus.

And with as it pertains to your recommendation so it's a great recommendation. As a matter of fact we have a mentor-protege program, our small business services group does a great job with that program partnering up more seasoned and mature businesses with starting budding businesses.

But to your point that's definitely something that we can explore is expanding that program to try and reach more businesses across the state so that that knowledge can be shared from really from soup to nuts as it pertains to just

managing your business well. And another aspect that we're working on is resiliency.

And this is something I know Pat Witty will tell you throughout the years he's been at LED every year for hurricane season, you know, we come across businesses that just do not survive or they, you know, they weren't prepared financially or from a business aspect, you know, losing data, et cetera.

So we hope to capitalize on this crisis and get more businesses to invest in resiliency but also the technical and managerial aspects of just being a business owner, being a good business owner things like our Mentor protege program could definitely help with that so good points and thank you.

Angelica Rivera, did I hear you join Angelica? Star 6 to unmute. Okay we'll come back if she's on the line. Mr. Bill Sawyer? And I did not hear Mr. Bill. Mr. Rene Soule? Okay.

Rene Soule: And thanks...

Mandi Mitchell: Oh.

Rene Soule: ...and appreciate all the information. Just one note for the sole proprietorships who are operating as independent consultants. LW did get that money from the Department of Labor to kick in the extra 600 for unemployment benefits. That is rolling out.

Mandi Mitchell: Yes. Yes sir, good point and thank you for mentioning that. On Monday LWC began processing the Pandemic Unemployment Assistance for sole proprietors and contractors - any 1099 workers.

So that \$600 per week that those business owners would be eligible for if you choose not to pursue the Paycheck Protection Program so yes very, very good point.

Rene Soule (Unintelligible).

Mandi Mitchell: Thank you. Madam Vice Chair Tucker?

Diane Tucker: Hey you all, thank you so much again for all the information on the call. I want to echo the sentiments of all the corresponding (unintelligible) now.

I want to echo the sentiments of (Alsa) and a few others about what a great job the governor's doing. A very proud to be from the state and the strategic leadership and I'm glad it's on display across the nation and the world right now.

A couple of things I'd like to touch on is about some just suggestions for the future, same as Vince said. I understand, you know, the circumstances that we're in.

And it's hard to get things going right now but we can always have lessons learned especially in a state that deals with hurricane preparedness all the time as you said, Mandi. One of the - I'm going to get straight to the point on a couple of them.

One of them I believe that maybe it would help if some of the leadership came from the top when it comes to paying small business. You know, I had a small business.

We're primarily government contractors and there are a lot more people in the

same boat as I and it's not only the city but the state when it comes to the slow pay with government.

You know, it's great to be doing work. I myself have not laid off any of my 32 employees as yet. I hope I do not have to because we are doing work and we have - we're getting work done with the services sector engineering services and so on. I also have people in the field that I have to protect that have no choice but to be in the field every day.

So we stay on the job, but when it takes (unintelligible) six to 12 months to get paid any business that's even operating well that's making money but not collecting it, it makes life extremely, extremely hard.

And it's just not fair to those small businesses especially when there are primes and you have to wait even longer to get the payments with primes that are usually large and that don't necessarily hurt the way that we do and still receive their paycheck every two weeks on time.

You know, small business we make our paychecks we don't wait for them. So I want to allude to that and how to push on government agencies and all locales within the state to pay their small businesses to help them stay afloat while loans are 60 and 80 days away even if they're forgiven.

Also I want to point out I understand the nature of emergency contracting. And the exigent circumstances around that especially when it comes to medical leaves and things like that.

But when it's emergency contracting outside of those types of issues it's great to be able to invite large businesses to bid on certain things when you know you need to get it and you know they can do it.

But at the same time there are still other small purchases that go on or smaller purchases that go on with small businesses that can sometimes be more agile than large businesses and depending on the sector and the industry.

And I think that I understand why the board - why those orders have to come through from the governor. And it's not just at the state level but the federal level.

But, you know, it can still be encouraged in order to small businesses that these business have worked with in the past and I think it's important to do so just to say it's the right way to do business in the state and the state will remember you later on for it.

Just due to the fact that there's a disproportionate an effect on certain populations nationwide when it comes to this. And so the disproportionate opportunity still kind of compounds the problems that we're trying to fight.

Again this is just something for future thought but I just want to mention it. So that's my piece. I appreciate every single sentiment on the phone. It was very informational and I am glad to hear that (Vince) you're doing great and I hope the rest of you all families are doing well.

Mandi Mitchell: All right, all good points, duly noted as lessons learned and recommendations for the future I am definitely - and the slow-pay issue we know has been an issue before this crisis but it's even exacerbated now as agencies are moving a bit slow.

So that's - I'm taking notes on everything everyone has said but I'm definitely going to bring that back to my colleagues at other state agencies. All right Mr.

Chairman, EJ Krampe.

Edward E.J. Krampe: Hello, can you hear me, Mandi?

Mandi Mitchell: Yes sir.

Edward E.J Krampe: Okay, so, you know, the restaurant industry is in a lot of crisis with quick-service restaurants being down about 30% to 50% depending on where you are in the state and then full-service restaurants and bars being down 75% to 100%. So it's a very difficult time.

Obviously we're having to pull on every lever we can to survive and the PPP loan program is a lifesaver for the restaurant and bar industry in Louisiana. I certainly hope that everyone is taking advantage of it. I know I get calls every day from different restaurant and bar owners asking advice and talking about it.

So not only does it help the restaurant survive but it also pays their people during this time. So you have a full-service restaurant that is down, you know, 80% or 90% they can take these loans and continue to pay their people for eight weeks so hopefully and then they' hopefully in May or June we will see businesses begin to open back up and these places can begin to have more income.

But there there were two things that I didn't hear today on the call and they're both tax-related issues. And one is there was a fix to basically leaseholder improvements that moved them from 39-year properties to an immediate write-off.

So some business owners can take advantage of that and be able to show

losses now and, you know, if they had significant investment during the year.

The other part of that is there are net operating loss carrybacks that are going to be allowed. So if you had a net operating loss that was for any reason if you - especially if it was depreciation-related you could now carry those back and get some tax inter - a tax relief from prior years. And those can put money in business owners' pockets right away.

As a matter of fact while we're on the call I got a notice that the IRS has just released a notice that they set up a fax number to file NOL refund claims for prior years.

That's an unprecedented and excellent development and it should speed up the process and the money coming back to business owners' pockets. And that's all I have. Thank you.

Mandi Mitchell: Very good. Thank you for sharing that info on the tax aspect of the CARES Act and relief being provided in other ways there. I'm always careful not to start going too deep into the tax side and get people's eyeballs rolling over or people looking at me crazy.

But yes thank you for assuring that E.J. What I may do is pull that out of - that information out of the bill out of the federal resources and then include that in the follow-up email to everybody.

Also, you know, just so that we're all aware the SBA is providing debt relief at this time. So if you had disaster loan from a previous disaster, the SBA is forgiving payments on those I believe for up to six months.

And then there's also an SBA Express Loan Program for 25,000. And then for

larger businesses there's the Employee Retention Credit.

So I will tell you that the federal government recognizes this is a painful time for small businesses and for our economy. And they are pulling out all the stops to try and save as many businesses as possible, keep our businesses intact so that when the time comes we can resume where we left off and possibly do even better. So definitely going to share all that information with you all.

Before moving on to other business this is part of the LED report out. I wanted to also share with everyone that we are trying our best to manage coronavirus response and recovery while keeping our ongoing programming intact. So you all are familiar with our very popular CEO Roundtable Program.

The deadline for applications for that program has been extended past March 31. So we haven't set a hard date just yet. So if you haven't done the program yet or if you know someone that's interested please let them know. The application period is still open for our next round of CEO Roundtable.

And I also wanted to share that our very own Small Business Services Director and Manager Stephanie Hartman and Chris Cassagne will serve on an IEDC Webinar, Understanding Philanthropic Resources and Economic Development. I'm going to send the link to that Webinar.

I think it's on April 20 but before today is over I'll send you all a link to that if you're interested. Now has turned out to be a good time if you have any downtime to take advantage of Webinar and other online resources. So I just wanted to make those two announcements that are happening under our Small Business Services Team.

All right, moving on to agenda Item Number 6, other business from the LSBEC. I think we kind of covered everything in our roundtable. Okay...

Diane Tucker: One quick thing.

Mandi Mitchell: Yes, go ahead.

Diane Tucker: Real quick, we started something down here called the Local Heroes Challenge. And it's basically challenging, you know, businesses that can do it or a bunch of individuals that can crowdfund or group fund together to put together an order of food for about a first responder group between 20 and 30 people just to feed them to support them and to say thank you in the small way that we can for the large things that they're doing.

It kind of took off down here in New Orleans and like I said it's just calling a local small business that you know needs that help for local small restaurants and getting in orders and then helping to get those orders to a nursing squad, ICU squad a police station, a fire station or an EMT squad near you and it's taken off.

It's something good to give a pay it forward. Well I know we're all hurting, you know, \$20 in a pot with ten other people to be able to feed these people that are (unintelligible) lines I think (unintelligible) taking off down here well morning America Ford on Monday morning...

((Crosstalk))

Diane Tucker: ...but I encourage anybody that can or any people that can to really take care of these people that are taking care of us.

Mandi Mitchell: Thank you, duly noted. And talk to (unintelligible) Pierson to see if we can share that around the different regions of the state, see if we can get some of our partners to inspire their small businesses to replicate this. Thank you.
Thank you.

Okay at this time I'll open it up for public comment. Any members of the public have any comments during this brief three to five minutes segment. Star 6 to unmute. Okay hearing none...

((Crosstalk))

Genevieve Silverman: This is Genevieve.

Mandi Mitchell: Okay Genevieve has...

((Crosstalk))

Mandi Mitchell: ...in your organization and two minutes.

Genevieve Silverman: Okay, I'm Genevieve Silverman, CEO of Nexus Louisiana. We are based in Baton Rouge and we work to accelerate the growth of high potential tech-enabled businesses in the state of Louisiana. And I heard one of the gentlemen mentioned interest in hearing from other business owners during this time.

And we are working on putting together a series of resiliency interactive Webinars where people can hear from each other as well as from business people that have been through the crisis before whether it be Katrina, Rita (unintelligible) downturn in (unintelligible), et cetera.

And you're welcome to contact us. Our Web site is nexusla.org. You can keep in touch with Webinars and things that we're offering on the Web site as well as sign up for our newsletter.

Mandi Mitchell: All right thank you Miss Genevieve. All right the IEDC Webinar that I just mentioned is on Thursday, April 16 from 2:30 to 4:00.

And again before today's over I'll send that to everyone that's going to be featuring LED, Stephanie Hartman and Chris Cassagne, Understanding Philanthropic Resources and Economic Development. So I just want to make sure I had that date correct for everyone.

And then our Genevieve I'll get with you offline if you can send me a link to where the Webinars are. I'll include that in my follow-up message.

Any other public comments? Okay members of our – we're going to shoot for hosting a meeting during the third quarter. We do not yet have a date in mind. Of course like everyone else we are anxiously awaiting guidance as to when we'll begin to return to normal.

Ideally our next meeting we'll be able to do so in person. And just so you all know we are also staying in close contact in coordination with the legislature. If the legislature does well they have to return before July 1 to adopt a budget.

But we do anticipate the possibility of the special session this year. We just do not know when but there will have to be some sort of accommodation to address the budget more fully now that the picture has changed quite significantly for going from a surplus situation to an unknown situation with our state budget.

So we're staying very close to the legislature. We are regular contact with the chairman of House and Senate Commerce. Those committees oversee most - a good bit of our programming and I will be submitting the revised final report to the full legislature.

But I am going to discuss the report and recommendations of this council with the members of House and Senate - with the chairman of House and Senate Commerce.

And at some point when things return to normal our council will have an opportunity to present the recommendations of that report to those committees and all of you are welcome to attend whenever that does occur.

And I think that your recommendations are timely now more than ever. So all right if there's no other business for the Louisiana Small Business and Entrepreneurship Council I'll turn it back over to the chairman to make any final remarks before we adjourned.

Edward E.J. Krampe: Just want to say God bless you all and your families and stay safe during this time. Thank you very much for being on this call and I look forward to seeing you all in person soon.

Mandi Mitchell: All right, motion adjourned.

Edward E.J. Krampe: So moved.

Man: Seconded.

Mandi Mitchell: Thank you all and thanks for your patience. I know our meeting was more than an hour today but we hope and pray everyone stays safe and healthy.

Man: Good stuff. Thanks.

Mandi Mitchell: Thank you all.

Man: Thank you Mandi. Thank you.

Operator: Your conference is ending now. As requested by the host...

END