



RESILIENT LOUISIANA COMMISSION

CO-CHAIR DON PIERSON

CO-CHAIR TERRIE STERLING

Banking, Real Estate, Housing and Insurance Task Force

May 27, 2020

Meeting called to order at: 9:00 a.m.

Task Force Members Present:

- Alden McDonald, Jr.
- Jimmy Maurin
- Ginger Laurent
- Ann Duplessis
- Hunter Hill
- Bill Hogan
- Stephen Hanemann
- Martin Mayer
- Barry Spizer
- Marco Ramos
- Markham McKnight
- Tom Clark
- Brian Keller
- Mike Wampold, III

- Meeting called to order at 9:01 a.m. by Co-Chairman Jimmy Maurin
 - Roll Call taken by Ann Duplessis
 - Alden McDonald opened the meeting with an overview of the goals of this meeting. The goal is to discuss the completion of thoughts submitted by the subcommittees regarding Phase 2 and to begin the process of preparing the written report to the RLC Commission by June 12th.
- Public Comments
 - *Tim Alexander*: Commented on the Cares Act and advised that this was not the only resource available to small business. He suggested that the long-term relief will need to come from partnerships with banks who are ready to lend.
 - *Nunez (OMNI Research)*: Commented that LED and LBA should drive business to the minority depository institutions, credit unions and CDFIs that encompasses the grant money that is available to the state. He also called for a virtual town hall that would serve to help identify resources available to businesses that need it.
 - *Scott Podvin (Roseline Partners)*: Biggest real estate asset in Louisiana – Superdome. Naming iconic landmark should be powered with renewable energy resources. Opportunity Zone solution.
- Banking
 - Banks lead charge with incentive programs out there for businesses-especially small and mid-size. Need to modify PPP program – increase covered period from 8 to 24 weeks, extend deadline for applying to the end of the year and allow additional uses of funds for restart (ex: rent and overhead). Improve Main Street Lending Program to get it in a place where it is effective. Banks waiving fees but need flexibility from regulators to succeed. Electronic/digital acceptance for offices and courts so commerce can continue if offices close.
- Insurance
 - Louisiana Department Health needs to provide clear guidance on acceptable reopening and liability protection (Safe Harbor) if their guidance is followed. Insurance is either employer provided health plan or workman’s compensation. Health insurance respond to unfunded mandates. Workman’s Comp not meant to address pandemic. PPP Program - convert loan to grant to cover health insurance. Employers of over 50 employees offer group coverage but 20 employees or less choose not to offer coverage. Demonstration waiver for Louisiana – federal law under discussion for Pandemic Risk Insurance Act (modeled after Terrorism Risk Insurance Act). Federal backstop money to insurance industry but will not apply to this pandemic but ready for future.
- Real Estate
 - Recovery period different for the different real estate types – 12 to 24 to 36 months. Loan defaults and problems with valuing properties – guidance needed on property tax assessments as half occupied or no occupancy at some.

Americas Recovery Fund Coalition needs to allow LLC's to qualify for loans. Louisiana needs to aggressively attract new businesses with heavy focus on technology. State Fire Marshall changes with occupancy standards. Develop plans for affordable housing for unemployed wanting to come back. Suggest State/Parish/City long term addressing development of Pandemic Plan like hurricane preparedness – FEMA starting to look into having plan for future pandemics.

- Recommendations to be compiled and sent out to group again.
- Public Comment:
 - *Andrew Doss*: McDonald asked if any other committees making same recommendations at this group. Small businesses critical to Louisiana – internet, health care and financing all discussed. Encourage group to listen in on other task force groups to see what ties in with their committee.
 - *Nunez*: Need for equity capital. Revisit SBIC.
- Thanks to all for providing helpful briefs to get to this point. What was gathered from this meeting were a number of important issues that must be addressed and a plan put in place, but there were four consistent thoughts which are:
 - 1) Support to small businesses,
 - 2) Businesses need Safe Harbor legislation to protect from COVID liability,
 - 3) Affordable housing must be solved,
 - 4) Greater access for low income individuals to get insurance from small business employers.
- Path forward will be for small group to write draft report and circulate via email to this group for review.
- Next and final Zoom meeting will be June 10 at 9 a.m. to finalize the report and then it will be delivered to full commission on June 12.
- Acknowledgement and adjournment at 10:14 a.m.