



RESILIENT LOUISIANA COMMISSION

CO-CHAIR DON PIERSON

CO-CHAIR TERRIE STERLING

Resilient Louisiana Commission and Task Forces Public Comments Received at ResilientLouisiana@la.gov

April 22 – June 26

Resilient Louisiana Commission

April 22, 2020

Kyle F.

"I have businesses asking where they can acquire masks so they will be ready once we enter Phase 1. Can you advise?"

April 22, 2020

John K., Lake Charles, LA

"Where would we be able to access the websites established for each of the Task forces to release public data and findings?"

"A single webpage to house all task force data and recommendations? Or will the Task Force working documents not be immediately available to the public with only public-release drafts being made available on the resilientLouisiana page?"

April 28, 2020

Trudy S.

"Would you please provide the latest executive order extending previous orders regarding "stay at home." It can't be found on the Louisiana website."

May 8, 2020

Marion F.

"I am a citizen resident of Louisiana. I am submitting this email as public comments for your Monday May 11 meeting.

I am concerned about toxic emissions in St. James and St. John the Baptist Parishes. Community members in these and other parishes have been subjected to toxic air for decades. Research now shows that air pollution contributes to worse viral outcomes. If the state is to recover, we need health in all sectors of the state and the economy.

Moreover, disparate health outcomes for African-Americans for the pandemic have been demonstrated across the country. In Louisiana, it has been documented that these disparate outcomes are NOT due to co-morbidities, because obesity and diabetes are NOT higher in these parishes.

Research has also shown that the coronavirus can "hitch a ride" on PM10, one of the prevalent types of air pollution in the Petrochemical Corridor. Cleaning the air should reduce infection rates and contribute to economic recovery.

For economic development, we need toxic emissions halted immediately: For example, Chloroprene emissions from the Denka Dupont plant (in St. John) are hundreds of times over the safe level. Community activists have long pointed out the proximity to public schools. St. John the Baptist has the highest cancer risk in the country, as well as highest death rates from Covid.

In addition, mega-construction of a massive plastic plant by Formosa in St. James appears to be attempted during the pandemic shutdown. This will put workers and residents at greater risk of virus contraction.

Much of the ill-health is due to disproportionate siting of heavy industry in communities of color. There are many other concerns such as this. I can provide documentation.

Your commission can direct the re-opening of the state to ameliorate this chronic problem. Industries need to adhere to health guidelines. New construction should be halted. Moving forward, clean technologies, such as solar, wind and battery industries should supplant the dying fossil fuel economy. There are numerous Louisiana companies that can provide "shovel-ready" projects as the state re-opens. Moreover, since the current Louisiana economy and state budget is so closely linked to the oil economy, situations such as the current one show the value of diversification."

May 22, 2020

Christen W.

"At present, the order from the governor states that Commercial janitorial and/or cleaning of governmental buildings are deemed essential. But there is no information for cleaning residential homes. I registered with the open safely website but there was no selection for housekeeping so I chose a business closest to my own. The website suggested phase 2 or 3. I would like to get back to work but not at the cost of doing harm to myself or to others. Any guidance would be greatly appreciated"

May 26, 2020

Dorien N.

"1. The Task Force Guidelines specifically request data on # entities, # employers, # unemployment claims , # PPP and SBA loans sorted by sector for dates March 1.. and April 27th

a) how can we get this data in a spreadsheet form?

b) are you doing a more up to date assessment since the program was extended and more funds committed ?

c) can we get same data on EIDL?

2. Impact of Oil price decline

a) what is the price of Oil used by Revenue Estimate Conference ?

b) how much has the State lost in revenue due to the decline in Oil Prices ?

c) How many businesses might go bankrupt or jobs lost with if Oil stays in the range it is currently in ?

3. CARES ACT-- It was recently announced that the Governor expects to balance the budget with over 900MM from the Coronavirus relief fund. This leaves another 800-900 million to be provided to the rest of the State.

a) How has the rest been allocated? How much to New Orleans specifically and Jefferson Parish?

4) What actions is LBA/LED and others taking to make sure that Louisiana businesses are aware of the targeted \$60Billion Plus available through Credit Unions, CDFI's and Louisiana's ONLY MDI?

What resources are available to aid these financial institutions with processing loans /

5) The EIDL program was changed to only help Ag industry firms.

a) What are we doing to notify Ag firms they can apply for EIDL?

b) Are our Restaurants considered part of the Ag Industry ? If not , why not ?

Every AgBusiness program in America includes them (its where the consumer is)

6) What efforts are being made to see to it that the States HBCU's are getting all of the resources available under the CARES ACT?

7) How does this Commission plan to include Opportunity Zones , HubZones, and other economic development efforts as part of its recommendation.?

8) How many Employers have 2000-15,000 employees and therefore are eligible for the Federal Reserve/Treasury Main St. Lending Program ?

9) Professor Richardson mentioned Pension costs as part of his budget review. How much did the State pay last year into the pensions it is responsible for ? If market stays the same , How much of an increase will there be , might there be coming up ?

That's enough for Tuesday ! I look forward to some answers . I am available for specific calls to discuss this and any other related issues.

Final Comment :

While the guidelines specifically state inclusivity , out of the box thinking, etc. I haven't heard enough in the specific task force meetings about inclusivity , nor about how we build opportunities for minority & women owned businesses WITHIN EACH SECTOR....although a few task forces have mentioned this... it needs to be across the board, including in some sectors that have been uncomfortable addressing these issues.

What are State Agencies doing to increase their own utilization of Louisiana based firms, including in the area of consulting services , financial management, strategic consulting etc.

There is a tremendous amount of underutilized Louisiana Based Expertise available .

This needs to be emphasized by Commissioners from top down (which I think is implied in the Task Force Guidelines as well as the Governors comments.)

would appreciate a written response or a direct call to address these and other questions."

May 29, 2020

Dorien N.

“We are an independent research organization that has attended several of the task force sessions. We have a few questions you might be able to address:

I read (skimmed) your articles and Bio:

- 1) Please describe the Fed resources for Municipal governments and contrast them with the Corporate sector liquidity activities. Companies get 30 year loans, but Municipalities don't?
- 2) Louisiana has fewer Main Street Qualifying businesses than other States. Can we create Cooperatives or other ways of aggregating our businesses for the purpose of getting Main Street lending access?
- 3) Does Fed classify restaurants as agricultural entities (aren't they part of the agribusiness supply chain?); then why is EIDL being snatched back from them ? (Please don't say that's an SBA issue .. remember , we are all in this together).
- 4) How do we get information of the Fed activities under CARES ACT? i.e. to whom loans have been made, or security purchases etc.”

May 29, 2020

Dorien N.

“I enjoy your work. Here are a few ideas I hope you discuss:

- 1) health care for all employee, contractors, (and for self-employed). This is as important as a \$15 per hour wages (maybe more so) which you proposed in your op-ed
- 2) Subsidized jobs for people making under \$15 per hour to help them earn \$15 per hour. (50% match). Or whatever the wage should be to cover HEALTH CARE expense. Subsidies go to small, micro businesses of less than 20 employees.
- 3) Minority Businesses hire Minorities and support the Minority Community. Studies have been done on this since the 80's. Louisiana can be more aggressive in using MBE's (I hate term DBE). This State is 32% African American. Jeff Parish is 25% African American and 15% Hispanic . Our Opportunity Zones are 52% Minority population
- 4) The Kerner Commission suggested the creation of MESBIC's after the 1968 riots.....Louisiana has no SSBIC's (the new name for MESBICS) and very few SBIC's (1 or 2),
- 5) Increased support for HBCU's . Louisiana has SEVERAL.. they are economic engines that are underutilized.”

June 12, 2020

Tim A.

“The Commission is to respond to the COVID-19 pandemic and then make recommendations for

improving business and commerce, in the wake of this pandemic.

To that end, the Commission has 15 Task Forces responsible for all aspects of business and commerce within Louisiana.

Various Task Forces have common concerns and recommendations. Examples are to find an

increase for short term employment, broadband throughout the state, and maximize the breath of Federal stimulus funds. These goals need not be exclusive-but can be considered together for the betterment of Louisiana. This paper is a model or roadmap to achieving the goals, with a single effort and is addressed to the Commission and five of the Task Forces. I have made a study of more than 100 very rural cities. I have noted in most cases there is little or no electronic footprint of the city or town hall. When disaster strikes, there is no way for the government to communicate policy or even safety measures. This is unacceptable in the twenty-first century. With one model, we will bring broadband to the state, increase short term employment, maximize the funds allotted to the Louisiana small business development center (SBDC). Concurrent with this is to ask the Historically Black Colleges and Universities (HBCUs) to take the managerial lead. This is reasonable as many students are both studying business and understand social media. Finally, this model will increase short term employment as we propose the labor to be community members themselves, trained from many sources, including the SBDC's.

My model makes the argument that broadband is needed immediately in the most rural communities across the state. This is urgently needed to better communicate between local government and residents. Add to this a President Obama legacy program that can get free smart phones for any that may not be able to afford phones. A combination of the broadband and phones become the backbone of this model.

I next point out that an existing school is a large facility, often with cafeteria facilities, restrooms, hygiene, and considerable open spaces. Many states have needed temporary hospital facilities, and schools have all the amenities that could be desired. Therefore, a secondary focus is to make sure schools have the resources necessary to not only educate but respond to COVID-19 and other possible pandemics. Broadband is a critical communication tool.

In the depression, employment projects were sweeping streets or public works. Little or no experience was necessary. If we come forward to the current century, we have the modern census. This is employment with basic training and little skills required. My model is to build out this broadband deployment with as much peer labor as needed. We hire the people in one town to set up a neighboring town.

Section 1103 of the CARES Act is titled; "SEC. 1103. ENTREPRENEURIAL DEVELOPMENT". Next is section (b) (2) Use of Funds (b); "the hazards and prevention of the transmission and communication of COVID-19 and other communicable diseases (an acceptable use of funds); Section 3 is Grant Determination. Subsection (a) states; "SMALL BUSINESS DEVELOPMENT CENTERS.—The Administration shall award 80 percent of funds authorized to carry out this subsection to small business development centers, which shall be awarded pursuant to a formula jointly developed, negotiated, and agreed upon, with full participation of both parties, between the association formed under section 21(a)(3)(A) of the Small Business Act (15 U.S.C. 648(a)(3)(A)) and the Administration.

I take the option of inviting the inclusion of HBCU's. These can provide the management and expertise for this project.

CARES Act section SEC. 3512. HBCU CAPITAL FINANCING gives deferment to some loans. Funding the cost of inclusion of students would be slight and could come from this savings. Also, the "Higher education emergency relief fund" is Sec. 18004 in the CARES Act. This model is available and should there be interest, I am able to speak more. Thank you for your consideration."

June 19, 2020

Dorien N.

"I hope the Commission can acknowledge Juneteenth this morning as well as provide a link to anyone in the chat room who wishes to learn more about it.

It is a State Holiday in Texas. I don't know if our Governor has issued a statement, but one would be appropriate given that we are a State that is 32% African American (one of the largest 5 of African Americans than other States) , 6 HBCU's, Plessy vs. Ferguson, the first African American Governor in the U.S. (Republican P..B.S. Pinchback) , and others. I wonder if there is a portrait of our 24th Governor and is there a statue somewhere ?

I can't think of a better way to kickoff this day than with our multiracial, multiethnic, Statewide Commission that is committed to racial equality and inclusion and the task force focused on Education and Workforce development."

June 22, 2020

Dorien N.

"It appears ACT 311 has become law. Much of its elements address issues this task force has addressed. Is it possible to get someone from Treasurers office to provide a de-briefing on how the \$300 MM allocation to small businesses is going to be handled ? In addition , there is \$40MM allocated to minority businesses. It isn't clear if that is minority, woman owned and veteran owned . Clarification would be helpful.

Also, since the maximum grant is \$15,000 , can LED (perhaps through SBA if it doesn't have it handy) provide info on how many businesses are in each parish that have fewer than 50 employees and are minority vs. non-minority ? a Minimum of 20,000 businesses will get these grants , LED and its intermediaries should be able to shed some light on the impact this would have on the Louisiana small business community.

There are other restrictions on the type of businesses that would receive these funds. Perhaps the various research partners to the Commission can shed some light the amount of eligible businesses and their location. I hope the Commission in general and various task forces will find this information useful."

June 26, 2020

Dorien N.

"1) Why is Treasurer doing this and not LED? How much does Treasurer get paid to administer this program ?

2) How many businesses in Louisiana have under 50 employees and fit this criteria?

- 3) the 40MM for women and minority and veterans only addresses 2700 businesses. t, this seems to be a small share of the actual needs
IF 40MM goes to mbe/wbe/veteran ..(13%) does this mean this is a 87% White Male business set-aside ?
- 4) who and how was consultant selected and what is their experience with MBE/WBE businesses ?”

Economic and Community Development Task Force

April 29, 2020

Caroline O., New Orleans, LA

“I'd love to participate in the Resilient Louisiana efforts but not sure which task force I fit into. I moved to New Orleans 13 years ago because there were career opportunities for me here in film/tv production. I work on episodic television, feature films, commercials and music videos. There is no task force specific to my industry or to the music industry in Louisiana.”

Education and Workforce Task Force

May 1, 2020

Robin H.

“How do the public submit comments during the Education & Workforce Task Force meeting currently being held? Is it only through this email or by calling the number provided on the agenda?”

June 19, 2020

Tim A.

“I heard the term “Bridge Funds” related to your Trust Fund. I have been in that playground for 30 years. This is mostly private equity firms (PE); it is the very expensive borrowings and the roughest “playground”.

As an example, I know a foreign dairy operation bringing new milk to the US. They have a very large grant from the USDA but have 90 days to get about \$250M as a show of good faith, to complete the larger USDA financing.

Typically, “Bridge Financing” can be up to 90 days with severe consequences should the repayment be missed. In this case the owner will forfeit his dairy business. The face value of this “bridge financing” is 25% but there are so many fees- it is estimated to break 40%.

I am sending you a link from the Federal Reserve that you may find interesting. In 2008 the [American Insurance Group\(AIG\)](#) was about to go bust. On September 8 2008, the Federal Reserve was authorized to finance \$37.8B. This was negotiated over a weekend. Later, AIG got

a second round. All of this was eventually repaid, but over years and at much better terms than “Bridge Financing”

I final question to you. I understand your need, and that of the State of Louisiana. What is the harm in making a single, unified request for more stimulus? You have every right to do this as the likes of NY, NJ, and others are doing. You can make the argument that your money is all COVID-19 related? So again, what is the harm in Louisiana making a one time, unified, single request for more stimulus?

Best of luck to you and the Commission.”

June 22, 2020

Sandy M.

I’m reading guidance and listened to recording. I do not understand the slide on group sizes. Does it say this:

Elementary students can go to school if we follow guidelines on static groups. They can come to class in groups of 25 or less. That group stays together all day.

Secondary students can go to school with masks and distancing. Desks must be spread out, ideally at 6 ft apart if possible.

All students should have temperature taken at entry and wash hands often.

The goal is to bring all kids to school.”

June 26, 2020

Tim A.

Good morning:

“In recent Commission calls you mentioned the status of the Workers Comp Trust Fund and how it is close to exhausted. You mentioned the term “Bridge Financing” and I hope we use the term differently. “Bridge Financing” is some of the most expensive and harsh financing available.

Yesterday I spoke with Mr. James Forrest of Affiliated Financing. He invests insurance money and has billions to lend. I cautiously asked if he would consider lending to states and he said yes. He can lend very quickly but his rates may be in the seven percent range. He has a short questionnaire and makes preliminary decisions based on that. It is likely he could be cheaper than “Bridge Financing” and have fewer covenants.

Aside from that, is the Federal Reserve. The Boston Fed is active in stress testing and we have heard a fair bit of stress test results in the recent news. My contacts suggest you could reach out to the President of the Atlanta Federal Reserve. Your title should be sufficient to get you a call. Remember the Federal Reserve is a lender of last resort and can strike a deal in just a few days

I am proposing an extremely low rate variation on the Federal Reserve anticipated bond buying program. But the program, in whatever form, will not be available until after a critical date for the state.

I do urge you to reach out to the Department of the Treasury. There remain stimulus funds. In speaking with either the Federal Reserve or Treasury, it is important to keep a key thought in mind. One must make a request in line with the COVID-19 crisis. I would imagine you could get an answer within four or so calls. I wish you the best of luck. There is still time and funds available.”

Energy Task Force

May 5, 2020

Dorien N.

“Specific reports mentioned :

- 1) The report from ramesh in the community development subcommittee
- 2) Energy one of the task force members mentioned an energy industry survey that had interesting data on layoffs in the oil industry
- 3) Will public be able to comment on any interim report BEFORE it is released ?

Additionally I would like some form of response to a question I posed in the Energy Chat room where we are encouraged to pose questions :

A) The price of oil is used to project State revenues. What is the current forecast for Oil that is used in the budget (I suspect around \$60 per barrel). If each \$1 of oil impacts the budget by \$10-14 MM, then this would imply that if Oil is at \$35 per barrel, the State will lose \$200-400 MM . Where might these cuts come from ?

B) If oil is at \$35 per barrel, how many bankruptcies will there be and how many jobs will we lose?”

Financial Services, Insurance, and Real Estate Task Force

May 5, 2020

Tim A.

“Banking is the economic engine that will power our rapid recovery. There needs to be a balance between safe and aggressive lending. I have looked at your ’18 and ’19 December Call Reports and “Well Done”! your bank is performing well.

I have been following the ICBA efforts to increase business lending. I know this is both specialized and profitable, much more so than mortgages. This is why so many community banks wish to grow this avenue.

The CARES act includes temporary relief from leverage ratios. While this is welcome by many, I have a concern. If the average non-mortgage business loan can be a term between three to five years, then the leverage relieve should match this time frame. I would welcome the chance to speak on this topic.

Another topic is business lending, such as asset based lending. I note that your bank is not currently strong into C&I lending. Perhaps this is an area of exploration for possible expansion. There is a final topic I would welcome your thoughts on. Many cities, counties, and states across the nation, are in need of new finds. The primary tool would be to sell bonds to either the Federal Reserve or the Treasury. Here is the problem I see. These would need to be very cheap, in the range of one percent. At this level there would be no secondary market. The Fed would need to keep rates artificially low. We can see the impact of low rates to any holding fixed income investments; retirees, pensions, and the like. We can also study the impact of low interest rates with Japan.

What could we do with low rate muni's without holding rates low the detriment of the balance of the economy? Why not ask for a Basel III waiver for banks to hold these muni's in Tier I Capital? We relieve the Fed from paying out on excess deposits, saving Fed resources. It would be cheaper for the Government to guarantee rather than buy outright."

May 11, 2020

Tim A.

"These two industries are a nice complement. The single largest asset category in banking is real estate lending. It occurs to me your taskforce can interact with most of the others. For example, one of the larger recent issues for community banks has been increasing business lending. This can be great for main street and for the real estate market.

Recently there has been much friction between the community banks and credit unions. While it is possible that individual credit unions may compete with individual community banks, the credit union industry is not of sufficient size to make much difference to community banks, in total. I continue to study banking closely and am very familiar with the difference between large banks, community banks, and credit unions.

As both community banks and credit are given some regulatory holidays in the CARES Act, perhaps your commission may consider including a credit union in your task force. This is an industry that can contribute much liquidity to your state.

June 11, 2020

Tim A.

"I am Tim Alexander, an economist. I have been submitting ideas on how to finance all the recommendations. In the events I have attended, this is the one key element not discussed, financing.

We have not spoken, but I have been in touch with your staff, including Julio. I have sent him my argument that your state deserved about \$7.3B rather than \$1.8B in stimulus. There is still time for Louisiana to ask for more.

This paper is a brief reminder before the Commission finalizes their work.

Your community banking system is robust, but according to banking financial data, is below the national average, for community banks. One important area is business lending or C&I lending. In this category, Louisiana community banks are about half the position of the rest of the

nation.

Many Federal programs exist now for stimulus and I am working to make banking aware of these. We have the Federal Reserve TALF purchasing program, the pending Federal Reserve Bond buying program. We have CARES Act set asides of \$30B for mid-sized and community banks, each.

It is known that in your state, business large and small, need liquidity. Louisiana has not yet tapped the potential of your banking system. I am working on a proposal for the Fed over a national bond buying program. Banking as an industry is holding about 1.7% of total assets in state bonds, or \$313B. If we increase holdings by \$250B, this category remains under 5% of all banking assets. But this program works out to \$5B in bonds per state. I propose these be at very low rates to make easy for states to afford.

There are more details. This would be a special series. The point I wish to reinforce, is that many financing options are available to your state and businesses. I hope the Commission considers a meeting on funding. This is a key part to the success of the rest of the recommendations.

Thank you for the opportunity to comment. If there are any questions, please feel free to reach out to me.”

June 12, 2020

Tim A.

“Both the Commission and various Task Forces have had excellent speakers. You have a balance between the likes of the Federal Reserve Bank and Ms. Angela Glover Blackwell. I am learning a great deal, specifically on inclusion and, “equality is the best economic model”.

Yesterday I received a call from the Federal Reserve Bank of Atlanta and had a request to submit my work. We are discussion many items including my variation on the TALF and Bond Buying programs.

Mr. McDonald-I missed the banking task force the other day. I was elsewhere occupied. I understand one question was the disposition of toxic assets. I was present and working with the FDIC all through that process between 2008 and 2010. May I offer a suggestion. I would urge not to use the term “toxic”. I would consider this a term from a bygone era.

Since we have the experience of surviving the 2008-2010 range, and we now have better stimulus, may I suggest alternative terms, such as “program assets”. PPP loans may be covered under the CARES Act MDI program. Likewise, loans to parties not meeting traditional underwriting standards could be covered under TALF.

Please let me know if you would like more information.”

Food and Agriculture Task Force

May 5, 2020

Tim A.

“I am an economist and have been advising banks on very large business loans for than three decades. I have spent more than two thirds of my practice on Ag.

I am partnering with a local New Orleans firm, Omni Research. Prior to the COVID-19 we have been concentration on solutions for the national pension crisis.

I have spoken with your Lt. Governor’s office. We believe Louisiana did not get sufficient federal funds. Our work shows Louisiana needs another \$5.5B.

It is important to act swiftly and ensure no funds are left “on the table”. Last week I reviewed the Louisiana Ag home page; prominent is a table of primary sectors. I made a quick list and, based on my recent experience of valuing ag commodities, I arrive at a minimum number that is fair stimulus.

I looked at the annual value. I reduced the annual value by a half, suggesting that it may take time to find a new normalcy. I then reduced that amount by half, suggesting a loss to value. Please remember that analysis can only go so far based on a cursory overview. But this is my estimate of a minimum Ag stimulus request.

The CARES Act had allotments for Ag. I do not know the current status. I believe it worth-while to send a request to the Treasury and, ask for a breakdown of funds dispersed thus far.”

May 7, 2020

Henry S.

“I am here to advocate for the Louisiana Future Farmers of America (FFA) as a helpful organization to consider when discussing rural development/revitalization. Louisiana Agricultural Education is comprised of 264 agriculture teachers from 206 public secondary schools that teach approximately 21,000 students across 54 parishes. Saliently to your task force, 80% of our programs are in areas classified as rural/small town. Currently, thirty percent of agriculture teachers in Louisiana are eligible to retire in 0-3 years (80 teachers) and there are inadequate numbers in the pipeline to fully replace those who will retire with traditionally certified graduates. There are 3 programs in the state that certify Ag teachers. They are at the LSU main campus, LA Tech and McNeese state. We need incentives to major in Ag.Ed. that attract more undergrads to the programs. Geographically, an Ag.Ed. certification program at LSU-Alexandria makes sense. Twenty-one percent of agriculture students statewide are African-American and only 4% of the statewide agriculture teaching staff are African-American. Agriculture Education certification programs currently do not exist in any HBCU. Not only do we need to recruit more African American Ag teachers to our existing certification programs but we also need an Ag Ed Certification program re-established at Southern University.”

May 19, 2020

Tim. A

“If we have several related companies, such as processors in the same industry, each individually not meeting lender qualifications, can we aggregate all potential borrowers into a single loan application? If the individual borrowers are not investment grade, but collectively there is a single USDA guarantee, would this meet the investment grade qualification?”

May 26, 2020

Tim A.

“Thank you for the chance to address this taskforce.

A fundamental responsibility of any sovereign government is to provide a safe and sustainable food supply. Consider the mission statement of the United States Department of Agriculture;

“Our vision is to provide economic opportunity through innovation, helping rural America to thrive; to promote agriculture production that better nourishes Americans while also helping feed others throughout the world; and to preserve our Nation's natural resources through conservation, restored forests, improved watersheds, and healthy private working lands.”

This is consistent with the aims of the Louisiana Department of Agriculture and Forestry.

Important questions to ask are these;

- what was the baseline for Louisiana Agriculture (Ag) last year (2019),
- what is the best expectation for this year,
- If there is a deviation, can it be related to COVID-19?

We know that 2019 was a hard year for producer and processors. Starting with producers we can find evidence in Federal Crop Insurance outflows. Agri-Pulse and Agri-Pulse West are comprehensive of agricultural information. On May 19, 2020, in [“Crop insurance kept farmers afloat during a tough year”](#), is written;

“It's (2019) not the biggest year that crop insurance has helped fill the void — that was 2012 when indemnities topped \$17.4 billion — but the numbers across the country are still substantial.

Farmers paid premiums of about \$3.8 billion to insure almost 380 million acres in 2019. By year-end, crop insurance companies paid out almost \$7.6 billion to cover losses, and the numbers are expected to grow as all claims are finalized.”

Next we consider the World Agricultural Supply and Demand Estimates (WASDE), a publication of the United States Department of Agriculture (USDA). Total World and U.S Supply and Use for Grains is found on WASDE table 8. We see there ending stock for all grains in 2018 was 804M metric tons. The next year, this ending amount is up two percent to 821M metric tons. The current estimate is for a massive increase-867M metric tons. This is a seven percent increase over the 2018 level.

Similar increases are observed for the US. In 2019, the US had a slight pullback in production and total supply, over 2018. But the current projections for total grains in the US is a large increase of 25% or almost 113M metric tons.

This writer is a banking consultant with considerable Ag experience. I am hearing, nationwide, that commodity prices were below break-even in 2019. Nationwide, farmers may have received \$0.60 per bushel on corn and \$1.00 for beans. Given the projected increase in supply, we are forecasting an increase in insurance claims.

We find a similar experience within the protein side. The United States Department of Agriculture Economic Research Service publishes the [“Market Outlook Livestock, Dairy, and Poultry Outlook, May 2020 \(Summary\)”](#). This publication opens with the following;

“Since early April, COVID-19 infections of animal processing plant labor forces have disrupted beef, pork, broiler, and turkey production in the United States.”

This one statement hits all three of the prior page bullet points. This does also document the specific COVID-19 pressure on meat production. This pressure then travels backwards and creates stress and financial problems for the producers.

Nationwide, we have seen the need for vast price relief for farmers. This is now lining up for protein production and processing.

Louisiana is in dialog with the USDA, for some relief. It is recommended that Louisiana consider a valuation on the primary Ag commodities. This can include projected losses due to the COVID-19 pandemic. Since the Federal Government is offering COVID-19 relief via the CARES Act, and others, it is recommended that when a valuation is completed, a claim can be filed under the CARES Act. This Act contains substantial relief that should be considered.

As a nation, we have record high liquidity in our banking system. As of December 2019, total deposits within our banks are more than \$14T. Banks have significant monies to lend. This is in addition to all of the existing stimulus funds available.

Now states like Louisiana an additional resource other than the USDA alone.

In participating with the Ag taskforce, I make several observations on the discussions; first both domestic and immigrant labor is scarce, second, the cost of labor continues to increase, finally I find no evidence that members are even considering modernization or automation.

Interest rates will not go down further. It will never be cheaper to improve efficiency. Lenders (banks and non-banks) open for business.

I have a model proposed to the task force where several similar company may be aggregated into a single loan request. This simplifies the lending aspect. Then ask the USDA for a guarantee against the single project-modernization and/or automation of several companies. Such would allow the state of Louisiana, and the nation, to retain production here. This is a stated goal of the government, and currently the Federal Government is backing words with funds.

The larger Task Force has published; “Resilient Louisiana Commission & Task Forces Guidelines”. The second charge is Long-Term Resilience. Louisiana cannot have a long term plan that omits discussions of automation and modernization for the Ag and manufacturing sectors.”

June 19, 2020

Scott P.

“During yesterday’s (6/18/20, Thursday) final reports provided to the various task forces, I suggested Governor Edwards initiate a study examining the socio-ecological nexus between food, water and energy, at least with respect to SugarCane and Soy Beans. As it may be in Louisiana’s best interest to provide food security to Louisianans – before exporting 60% of its soybeans--, rather than continuing to support such business lines and agricultural products that are subject to the vagaries of the commodities markets, particularly, without a heading strategy in place to protect against the downside risk. In the chat room, during the rural/agricultural task

force final reports presentation, I mentioned/inserted a comment about a study examining the socio-ecological impact of the nexus between food, water and energy in Mauritius, when the EU had a policy favoring ethanol, which later switched, leaving Mauritius with a harmful decision to continue growing sugar cane, with as much land, using as much water, and as much human capital, as needed.

As you may know, Mauritius is an island in the Indian Ocean that uses most of its agricultural resources to grow sugarcane. It uses most of the agricultural land and most of the water of the island to grow sugarcane. What is this for? The sugarcane is used only to sell outside for export to Europe basically, because Europe was demanding a lot of biofuel, so they require a lot of ethanol coming from sugarcane. But Europe lately, is changing its policies and now it's not going to demand as much ethanol, particularly now with the pandemic, which has effectively reduced demand. Likewise, it might be the quintessential moment in time to revisit Louisiana's position relative to continuing with sugarcane (and soybeans). So, Mauritius, like Louisiana, needs to know what to do with all this sugarcane that they are growing now because maybe in the future they won't be able to sell it anymore, particularly if fuel demand stays at historically low levels, as is the case now. And, in Louisiana, in addition to the sugarcane query, is the issue with soybeans and the existing trade war with China (and how we safeguard the State's tax revenues). For this purpose, the study of Mauritius includes a diagnosis of the whole system in the island, the whole metabolic pattern (see attached). And in a table presented, we can see how we're representing at the same time food, energy, water and monetary flows on different elements of human activity. The time of the population, how it is located. The land use, the surface of the country, how it is used. And the power capacity; the installed infrastructure and machinery they have. Another table was presented showing how this system is distributed among different compartments of the society. For example, it could be the household level, the consumption part of the society and the productive parts; the power and the paid work sectors, agricultural sectors, energy and mining, and some of the sectors we might be interested to split and analyze separately. So, in this case, we are analyzing, for example, the sugarcane as a compartment of export of agriculture. Then we have the sum of all the different flows, imports, domestic supply also might be built on imports. And we have the relation, very important, of these flows and funds among them. For example, for the hectares of land use located/selected for agriculture, we have an amount of labor, of work, of time that is dedicated to this surface. So, we have a technical coefficient of hours per hectare. Also, we added value in this surface of agricultural land. So, we have a flow per fund. We have an amount of money per hectare, an amount of water consumption of the agricultural crops per hectare, an amount of energy and amount of food that is produced per hectare. So, we have technical coefficients that can be obtained. In this case, we have the information for the water consumption for the urban part of Mauritius, but not for the agricultural part of the island. So, how to determine this missing water data? Easy. We can use GIS, Geographical Information Systems, to use the crop water requirement models that are used to estimate the water consumption of the different crops to know how these crop water requirement for every crop is being actually done in every

part of the island, depending on the crop and depending on other factors. For example, these models require the information about the climatic areas, the water supply distribution systems and the type of crops that you are growing in the island. Combining this with GIS, we obtain a combination of layers. Then we know the model, how to run it in every single polygon of this map and we get a final water consumption in the island for agriculture using GIS that we couldn't know without these maps, this kind of graphical information. Now we can use this number to put into the table. Now, we will go to how to use the GIS also for simulations. So, in this island, it could be a good idea, maybe, let's explore the possibility of using all the agricultural land to grow food, to grow agricultural products that are actually demanded in the island for their food consumption, not to grow sugarcane only for export. How do we know if this is a possible solution? By simulating what is the mix of agriculture products that are consumed in the island as food, and simulating how much food you can grow in the island. Then we need to know where are the plots of the farmers in the islands? What are the slopes in the islands, because if it's too steep you can only grow certain crops. And what are the top soils in the island because, depending on the soil you will be able to grow some crops and not some others, thus, you need to grow in some other type of soils. So you get a combination of layers and we can simulate the final amount of hectares that you can use in this island to grow the new mix of the crops that are demanded for food. So, we get a final amount, and we can fill the table here with the new number of hectares taken from the sugarcane to the food, to the agricultural products that will provide food and will make the imports to be lesser, the imports of food. And then everything else will change in this table because the water consumption will be different, the energy consumption is also different. The monetary flow will be different, and the labor, very important, will increase because the new crop mix is requiring more labor per hectare than before, than the sugarcane that was very mechanized. (Remember, we discussed during the presentation the shortage of workers for sugarcane and how many of them are coming from Central America, including, Mexico. So, to earn a "living wage" changing the crop selection may improve earnings potential. How to estimate the new water consumption in this simulation, in this new scenario. Again, we will use the new map to make a new estimation of the water consumption. And we will be able, not only to know the final amount of water in the island in the new scenario, but also how the water consumption will be different in different locations of the island. We have the current pattern of crop water requirement by the crops, mainly by the sugarcane in the island and we can simulate with the new crop mix, the new water consumption by the new crops. We will see in a map prepared for Mauritius like the one that should be created for Louisiana, that we are looking at that the water consumption is different depending on the location in the island. So, in the eastern part of the island, the water consumption has not decreased much, and in the southern part the farmers probably will be very happy because the new scenario is implying that the water consumption of the crops is lesser. So, they have advantage with this new scenario. This is representing not only a final amount of water for the tables, but that also the system is heterogeneous, and the system has different results depending on the location. This is important to know that the system is not homogeneous and it will have different results for different locations. So the spatial

analysis, the geographic information system, is providing a new type of information, providing data for the different heterogeneous parts of the system, not only as a single unit. The issue for Louisiana in making its economy more resilient: do we reposition ourselves to feature on basic necessities in terms of food security for Louisianians or do we continue to put ourselves in foreign markets with commodities possibly subject to trade wars (China: Soy beans) or do we continue to grow sugar cane for use in ethanol when the land may be used for higher and better uses without causing the environmental contamination and overuse of water flows.

Healthcare and Human Services Task Force

May 6, 2020

Gina A.

"I was on the healthcare task force call today and there was a lot of information regarding increased testing for reopening the state, although not much about an early detection system for the virus.

Kinsa has confirmed that our network provides an accurate leading indicator -- as far as we can tell, the *only* effective leading indicator -- of COVID-19 spread. We published healthweather.us on March 18th to highlight the unusual fever activity we were seeing and tonight we published [this article](#) that confirms our accuracy and timeliness in predicting reported cases.

Would it be worth discussing how this fits into Louisiana's back to work/reopening the state plans? We believe this is critical, basic 21st century infrastructure to enable real-time detection of outbreaks: enabling states to contain them before they spread, saving lives, saving money and ensuring our economy can thrive."

May 26, 2020

Tim A.

"Thank you to the task force leaders for the chance to address this taskforce. I would say this is the most important of all 15. This deals with the human suffering and our growth to defeat this pandemic.

My background is banking and finance and so my comments will be brief. Within the "Resilient Louisiana Commission Preliminary Recommendations" are considerable suggestions from your task force. I urge you to consider funding for your initiatives; funding between short and long term needs. The CARES act is for short term needs; individuals, companies, and governments. As this paper is being written, The New Orleans City Business newspaper just ran the following; "[Edwards' budget proposal uses federal aid to avoid deep cuts](#)". It is the Governor's prerogative to spend the money as he feels best. This citation is not a criticism. But this leaves little money available for actual health and Human Services initiatives.

We document with great detail the Louisiana need for much more CARES Act funding. This can be found in our paper title, "Advising Louisiana On Why An Additional \$5.5B Stimulus Relief is Justified".

Your need is real, and when viewing the level of need in reference to funding, Louisiana comes up short. There is no problem with going back to the Treasury and asking for more funding"

Hospitality and Tourism Task Force

April 30, 2020

Danielle L.

"Our [business](#), which curates catering for both wedding and corporate events, has obviously been decimated by COVID-19. We have worked diligently to reschedule clients for the fall, but little attention has been giving to the wedding industry in all of the talks regarding events. Any guidance would be extremeley helpful for at least the coming months as we are starting to get clients panicking etc because they only relate their weddings to other much larger events which have been cancelled for 2020.

If weddings and other social parties/gatherings could be included in this task force's conversations that would be much appreciated. We are a top destination wedding city and thus need to make sure we address this sector's concerns. These weddings bring revenue to our city in term of small businesses, restaurants, hotels, etc"

May, 16, 2020

Lisa D.

"Will the state provide any type of relief due to the canceling of all large events which make up 80% of our income? Tax relief? Additional tourist incentives to bring people back? Mandated rent cap? Anything that could help us remain in business?"

Information Technology and Communications Task Force

April 28, 2020

Ashley O.

"It would be great for agendas to be more detailed moving forward. An item that I have noticed in our regional area is that telework/ remote work is not taken seriously... in part because no one knows how to do it.

As you are aware, remote work is different than being in person. There is etiquette for phone conferencing and prep work for video conferencing.

If we are serious about remote work as a form of social distancing, then it would be a significant culture change to most Louisianans and their employers."

Manufacturing Task Force

May 4, 2020

Brandon I.

“The following are items to consider w/r/t crisis response:

1. System of record for screening on-site works. We have a safetyspot for our manufacturing spin-out that requires visitors to complete a survey and utilize red light, yellow light or green light for site access. Each shift (or day) requires each person to take this.
2. Document retention policy considerations (outside of HIPPA requirements) due to pandemic related workplace illness
3. Indemnification paperwork for people returning

These are recovery items to consider

1. We invested into a continuous hand sanitizer dispenser system, Voltanol, that never runs out to address the increased cost of having to refill and maintain refills in dispensers throughout job sites.
2. We are part of a working group with N95 original inventor to improve the N95 to enable it to be decontaminated without impacting mask integrity”

Restaurants & Entertainment Task Force

May 11, 2020

Sherry J.

“Will youth sports, baseball and softball specifically, be included in Phase 1 of reopening? And will we be limited to a certain # of people in each phase? If so, how many?”

May 13, 2020

Emily B.

“I am a mother of two elementary aged children. Our sports camp is awaiting guidance from you regarding summer activities on K-12 campuses. Can you tell us what to expect for summer camps for school aged children?”

May 20, 2020

Rob D.

“Nobody who represents the various private/hoa/community/country club swimming pools is on the task force. This area is a significant part of the recreation sector and is very different from public swimming facilities such as BREC or NORDC.”

June 1, 2020

Sarah F.

“Are trampoline parks included in phase 2? If they are not, will they be included in phase 3?
Thank you.

Small Business and Retail Task Force

April 22, 2020

Michelle B.

“I have attended the Resilient Commission conference calls and notice that no one represents our industry: hair, skin, nails and massage. We need to be represented in this task force.”

May 2, 2020

Christi B., Walker, LA

“At what point do you allow us as small business owners the opportunity to make decisions? These businesses are our lives, most of us have poured everything we have into them, don't you think we will take every precaution necessary to keep not only ourselves but our long-time customers safe?”

May 3, 2020

Duane L.

“How will the rule of 10 or less affect my business you ask?

Well, as a small hair salon with only 5 chairs, I would love to be able to allow up to 10 people. Unfortunately, it looks like we will not be able to reopen until phase 1 on the 16th, if the green light is given.

Even worse, I hear they will allow even less people in a hair salon than a normal small business. Which could even be as low as 3 people total for a 1200 sq ft area. There is no way my business can stay afloat with those figures.

I believe my industry should be treated fairly and allowed at least as many people as other small businesses.”

May 11, 2020

Jeremy L.

“I am writing this response in regards to the decision to close Tattoo/Body art facilities throughout Phase 1 of the re-opening of Louisiana. The body art community in Louisiana is a vast one and is made up of hundreds of local business owners & artists who have families to support. These artists fall under a contracted position and have not been able to receive many of the same benefits our local workforce have been entitled to. As a result, we feel it is unfair and unnecessary to keep us closed for another month. During Phase 1 we have seen that Gyms, Barber Shops, Salons & others have been able to open and would like you reading this to recognize that unlike some of the businesses allowed to reopen, under our licensees from the department of health and hospitals, each artist in this state are required to undergo First Aid,

CPR, Blood Borne Pathogen & Cross Contamination training. Meaning, each licensed artist in this state has actual training and common knowledge on how to handle viruses and infections. We believe that makes us safer and more qualified to operate our businesses under new safety guidelines, while maintaining proper social distancing, limiting the amount of clients we work on and enforcing mask wearing and proper cleaning procedures, as we understand the importance of safety, not only for our employees but clients alike. We feel that being put into the same category as water parks and amusements are not only unfair but profiling the safety standard we aim to achieve with each and every procedure. Furthermore, we feel as more people are being put at risk by closing these facilities due to the high number of “at home procedures” we are seeing done. Our facilities are equipped and stocked to eliminate the great risks these home procedures such as tattooing & piercing are putting individuals at risk of, due to our closures. There are many reasons we feel this closure to do more harm than good in the long run and we would just like to have the opportunity to implement our new safety procedures while having our constitutional right to own and operate our business in the great state of Louisiana. I have owned my business for 10 years and have given back to the community as much as I can, we are just asking that our leaders hear us and give us the same opportunities. We are one of the only states not allowing Body art facilities to reopen and we believe it’s due to misinformation or being overlooked as a safe practice business.”

May 12, 2020

Joseph B., Ruston, LA

“We are writing this response in regards to the decision to keep tattoo parlors and body art facilities closed throughout Phase 1 of the reopening of Louisiana. Louisiana one of the few states not allowing body art facilities to reopen, and we believe it’s due to misinformation or being overlooked as a safe business. The body art community of Louisiana is a vast one made up of hundreds of local small business owners and independently contracted artists who have families to support. Because these artists fall under a contracted position, many have not been able to receive some of the same benefits to which our local workforce have been entitled. As a result, we feel it is unfair and unnecessary to keep tattoo parlors closed.

During Phase 1 gyms, barber shops, salons, and many other businesses will be able to open. Unlike some of the businesses allowed to reopen, under our licenses from the department of health and hospitals, each artist in Louisiana is required to undergo First Aid, CPR, Blood Borne Pathogen & Cross Contamination training every year. This means each licensed artist in Louisiana has received standardized training and knowledge on how to safely conduct business in a way that protects all artists, staff, clients, and our community. Our training also enables us to safely operate our businesses under all current and proposed safety guidelines, while still maintaining encouraged social distancing, limiting the amount of clients we work with, and enforcing the use of personal protective equipment and proper cleaning procedures. University Ink’s facilities are a perfect example of a safe, clean, responsible work environment. All tattoo work stations are properly spaced and sectioned off with walls and curtains to promote social

distancing, and each section is equipped with all necessary safety and cleaning supplies to promote utmost safety and cleanliness during every procedure.

Being put into the same category as water parks, carnivals, arcades, and pool halls is not only unfair, but also dismissive of the extremely high safety standards we continuously uphold with each and every procedure. Furthermore, more people are being put at risk by keeping tattoo parlors closed as we see higher and higher numbers of unsafe “at home procedures” being done by nonprofessionals. We do not condone the actions of these individuals, and our facilities are equipped, stocked, and eager to eliminate the great risks these “home procedures” could be causing.

There are many reasons we feel the lengthened closure of tattoo parlors will do more harm than good, and we would like to have the opportunity to implement all new safety procedures, while maintaining our constitutional right to own and operate our licensed businesses in the great state of Louisiana. Tattoo parlors have been staples in our community for many years and have supported and given back to the community at every opportunity we are given. We are asking that our leaders hear us and give us the same opportunities given to other similar businesses.”

May 12, 2020

Amber S., Madison, MS

“I am reaching out regarding tanning’s classification in the reopening of Louisiana businesses. We thought we were grouped with salons/gyms, but are now hearing that tanning has been grouped with massage and tattoo businesses for later reopening. We need clarification and reconsideration of tanning.

The state of Mississippi grouped our Palm Beach Tan facilities with salons/gyms and not massage/spas due to our business being no-touch. This was a major distinction in how they categorized us. Our direct competition category has always been salons and gyms/fitness center as many of them also offer tanning. If they are allowed to open with use of their tanning and spray equipment, Palm Beach Tan should be in that same category as salons. A salon has more touch and contact with their clients than we do at Palm Beach Tan. We are also concerned about the competitive disadvantage this creates.

We own Massage Envy clinics too, and there is a tremendous difference between our Palm Beach Tan no-touch facilities and our Massage Envy clinics. In massage, therapists have one-to-one contact with members for 50 minutes or more in a closed room. Palm Beach Tan is a professional tanning facility with stringent cleaning and sanitization standards. We do not perform any services that require one-on-one interaction with a client such as airbrush spray tanning. We are no-touch, each client is in their own separate room with a closed door, and we use medical grade sanitizer with a 3-minute kill time for COVID-19 on all beds and surfaces. Our cleaning and sanitization process is more rigid than what we see with retail or gyms and fitness centers (which are allowed to reopen in Phase 1).

I would love for the Resilient Louisiana Commission to clarify tanning and allow us to reopen this weekend with salons and fitness/gyms.”

May 14, 2020

Elizabeth C., Pineville, LA

“ I am a small business owner in Pineville,LA. I am a licensed Esthetician also under the State Board of Cosmetology.

I am writing this afternoon in search of an explanation and how a decision was made referring to the opening of small businesses which the LED has been an important part of. I am also very aware your office is in touch with the Governor. Additionally, I have also sat in via Zoom meetings also.

With the recent announcement by Governor Edwards of Phase 1 Business Opening, it was noted that Beauty Salons, Hair Salons, and Nail Salons can open with strict adherence to the guidelines set forth by the Fire Marshall.

Additionally, my business is registered with the Fire Marshall under the Open Safely requirement. With that, I noted that my specific business is not mentioned. I finally took it upon my self to phone the Fire Marshall in BR who then forwarded me to the Alexandria office.

I was informed by the Fire Marshall office of Alexandria this afternoon in seeking clarification of the up and coming reopenings of businesses that my business could “not” open due to being an Esthetician.

I will be frank, this is absolutely ridiculous. Why you may ask? Because there are countless Hair Salons, Beauty Salons (which I am an owner of), and Nail Salons that ALL offer and perform Esthetician services. Yet, my business can not open. Can you see the absolute hypocrisy in this? I am beyond disgusted and disappointed!! My business is ready to open. I have adhered to every guideline and much more above and beyond for the health and safety of myself and clients. Yet, because I’m a licensed Esthetician who owns a Beauty Salon, I can’t open.

I firmly request this be seriously looked into and reconsidered, especially noting the fact that thousands of salons in Louisiana offer nearly all the services I do and they are allowed to open.

May 28,2020

Krystal K., Lake Charles, LA

“Hi. I was just wondering if y’all were able to have a motion set to allow us to be able to go back to work. There was mention of this happening in one of your last meetings & I’m seeing more & more businesses open in my area that weren’t originally allowed to do so in phase one.”

