



RESILIENT LOUISIANA COMMISSION

CO-CHAIR DON PIERSON

CO-CHAIR TERRIE STERLING

Resilient Louisiana Commission Meeting

Presentations by IT and Communications Task Force, Hospitality and Tourism Task Force, Rural Development Task Force and Agriculture Task Force

June 18, 2020

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

Roll Call - Members Present:

- Co-chair, Secretary Don Pierson
- Co-chair, Terrie Sterling
- Dr. Jim Richardson
- Sonia Perez
- Walt Leger
- Tyron Picard
- Jade Brown-Russell
- Bill Hogan
- Ti Martin

- Welcome and Opening Remarks
 - Secretary Pierson Opening Remarks
 - Thank you for your hard work and leadership. Everyone has been very active and looking forward to the presentations. Everyone has been very central because of how broadband and other things have manifested.
 - Terrie Sterling Opening Remarks
 - Looking forward to receiving the Task Force's recommendations. Thank you to the task force for their hard work.
- Andrew Doss
 - Note that all task forces have now input their recommendations
 - Email sent out this morning, you can also follow along through the Google doc
 - Presentation by the IT and Communications Task Force will be first, followed by Hospitality and Tourism, Rural Development and Food and Agriculture
- IT and Communications Task Force Presentation
 - Presented by co-chairs Will LeBar and Erin Monroe-Wesley
 - Task Force's approach from two different perspectives.
 - First: Direct resilience of the IT sector, both information technology and communications
 - Second: Dependency that other sectors across the state had on services provided either by IT or communications providers.
 - There is a critical need in broadband accessibility and adoption and how that has risen to the forefront across all the sectors, especially in an equity content.
 - Recommendations are focused on those two dimensions and throughout the presentation you'll see the specific focus on equity related to both topics and both rural and urban settings
 - Research has been done with interviews with other task forces and interviews with industry experts. All these are referenced in the presentation.
 - SWOT Analysis was done to further help pull the recommendations, part of the impact assessment summary for the IT sector.
 - Findings: a lot of jobs within the IT sector were either immediately transition to work from home or considered essential so a lot of those jobs maintained their status
 - Unemployment rate nationally for the IT sector is right around 3.7% as of May and that is down 1 or 2 percent points from April. Fairly resilient sector with a lot of people still working from home.
 - With those people still working from home some companies are looking at September and October has a chance to reintroduce people back into

the workplace while others are considering making working from home permanent.

- Some of the recommendations regarding working from home, you'll see an interesting trend in growth strategies for attracting talent
- Discussion regarding IT investment and plans in the future. The graph shown shows the trend declining and suggested the numbers are closer to 52%. If you look at some of the specific like cyber security and digital transformation efforts you'll notice low numbers of CEOs are saying they would make cuts. This is important because it shows key data that these are resilient jobs. There are still signs like long term spending patterns that may shift for digital transformation efforts so continue to monitor the growth so we don't lose momentum.
- Discussion regarding the communication sector: Erin Monroe-Wesley
 - Communication is considered an essential business and critical infrastructure provider. Extremely important to ensure Louisiana remain connected whether that was broadband service, video or telephone services, that was an important charge for our industry and more broadly the FCC
 - All of the major providers signed on to the FCC Keep America Connected pledge
 - Which meant that late fees would be waived, also agreeing to not terminate services due to customers inability to pay
 - Communications industry also established proper protocols to protect the health and safety of their employees. Increased the bandwidth recognizing there was an increased strain on services. For government officers, business and residential customers, they wanted to ensure that they had the capacity to provide their services. They wanted to make sure they had the capacity was available to those working and from home and those with school age kids.
 - The pandemic has accelerated the conversation around broadband adoption and greater access. Took the time to look at several different categories and spoke to the task forces. Telehealth being one of the top topics.
 - Small Businesses – a strain on them to maintain services, in spite of what is happening during the pandemic
 - Connectivity – increasing the bandwidth not only for our business and government customers but ensuring that residential customers were protected. Increase in compensation packages were also mentioned.

- Impacts on automation artificial intelligence: one recommendation and ongoing needs.
- Critical needs and long-term recommendations
 - Need for cross sector broadband collaboration to address access to and awareness of broadband services
 - Key recommendation: centralize and consolidate so we're recommending that work be elevated to the Governor and Resilient Louisiana Commission. Adoption is key and has to be the core focus of the work, access is important.
 - There are a lot of funding opportunities available, at the federal level
 - There is an opportunity to set aside a percentage of those dollars to improve adoption rates to increase access, particularly as we talk about rural communities
 - There is also an opportunity with the Digital Opportunity Fund which includes about \$20.4 billion, an investment over the next 10 years and there is a goal to expand broadband specifically to unserved rural communities
 - Working with the FCC, (number) of homes or businesses in Louisiana will be eligible for those funds
- Broadband deployment
 - Stats supplied by the FCC shows that 87.5% of Louisianans have access to broadband. However, the service adoption rate in Louisiana is only 45.5%. Again at 7.5% have access, only 45.5% have adopted. So, what do we need to do? Why is there a low adoption rate?
 - Looking broadly, not just in Louisiana, there have been two factors that have been identified. Household income and population density.
 - So, looking at residents, particularly in rural communities it's generally a low adoption rate.
 - Then there are those suffering from poverty which we have a large percentage of in Louisiana, both in rural and urban communities. We're able to see that it is a factor.
 - Ways to move forward with this is with several partnerships, both at a local level and with the legislature.
 - Referenced bill HCR 77 by Senator Schnexayder
- Various recommendations summarized
 - Growing the talent, attracting and creating more jobs and then focusing on filling those jobs
 - Looking at some of the existing economic development programs that have been successful and potentially modernize them to incorporate roles and such as cyber security and cloud engineering

- Recommendations around ITC procurement, leveraging the purchasing power of the state, that also could have an equity competent and being intentional with buying patterns.
- Trying to incentivize some of those smaller businesses to get a game plan around cyber security, planning and business continuity planning
- Q&A with IT and Communications TF
 - Jim Richardson: the numbers Sonia mentioned about only 45% of the people accept or receive internet, do we know exactly where they are in the state?
 - Some mapping has been done by the FCC. Erin said that she is sure they can dig deeper and look into a broader perspective. Sonia mentioned that FCC maps aren't exactly what they should be but they (FCC) is aware of it and are working on a better package.
 - Terrie Sterling: Question regarding the access component. After the start of the pandemic when children were being sent home, some public housing made arrangements to provide access to all the individuals. Was that a one off where they had funding to be able to do that or was that systematically done to provide access in public housing?
 - We thought it would first be a one off but we are starting to see other communities adopt that same standard.
 - Andrew Doss: landscape that presently exists across the state, is there a person or office in charge of broadband?
 - Not technically a state office. They look forward the bill commission as our guidance from a state level. Andrew clarified with the thought of an Office of Innovation, not just on broadband but something that would work across departments to try and find policy solutions to these types of issues.
- Public Comments with IT and Communications TF
 - D. Nunez: wanted to make sure it was known about scholarships, apprenticeships and internship opportunities for minorities in the data processing industry. Mentioned funding being available and those foundations should be reached out to. Offered to have an offline conversation regarding resources.
 - K. Fealing: information sent to Dardenne about our technology that is real time data visualization geospatial mapping technology. This technology can answer some of the solutions to where adoption gaps are even across the country. Currently in communication with FCC and members of Congress to create a broadband map. Andrew Doss asked that the information be sent.
- Hospitality and Tourism Task Force presentation
 - Presented by Jill Kidder and Kyle Francis
 - Two items to highlight in the presentation will be carnivals around the state and large events that will be held in arenas and stadiums

- Going to work with the subcommittees to continue the conversations because it is important to have a plan, to figure out how to measure our success and keep the momentum going
- The Phase 1 recommendations that were submitted were very exciting and successful. Economic boost to our communities, especially some of the rural areas. State parks and outdoor recreation programs are up and running which we felt was very important.
- 2019 was a record year with 53.2 million domestic and international visitors to our state. This brought in \$19 billion in our state and that generated about 192 billion and state tax revenues
- The travel and tourism industry is the fourth highest employer in the state, noting that right now we are in a depression. Estimated that we are losing \$260 million showing that people aren't traveling when they don't feel safe.
- Out of each of the recommendations from the subcommittees one key take away was that people must feel safe and that is the first thing outlined.
 - Different types of sectors to use touchless devices whenever possible
 - Consistently communicate enhances sanitation procedures and hygiene protocol
- Requested longer lead times that are necessary, specifically for festivals, parades, large events and conventions. Just a clear line of communication because of the definitive deadlines and contracts that would be signed.
- Another critical item to point out is our destination marketing organizations like our CVBs. They help us drive the demand and without them working the small businesses, cultural attractions, restaurants, hotels and others are seeing their revenue streams being cut. We feel it is critical to find some relief and stimulus funding for the CVBs and GMOs.
- Q&A with Hospitality and Tourism
 - Terrie Sterling: Are there any other events occurring across the country that you are following that might inform how we begin to address some of the challenges we are facing?
 - We're watching every type of event that's happening across the nation and world. Looking at sporting events and activities happening in Europe and Asia. Working on the best practices as the Convention Center in New Orleans seeks a GBAC start rating (global bio risk council). This will provide them with a certification on cleanliness and sanitation training of staff and implementation of mitigation protocols. This will be a way we can respond to hosting special events, meetings and conventions.
 - Request: to advocate, where the Commission can, with the Governor to look beyond this task force timeframe relative to carnivals around the state and try to implement a group of people that can help those types of events. Would be critical to the economy.

- Rural Development Task Force Presentation
 - Presented by Jim Clinton
 - The Task Force focused on nine topic areas. Focusing on how rural areas rebound and revitalize.
 - Rural broadband
 - Rural entrepreneurship
 - Rural food system opportunities
 - Rural outdoor recreation
 - Rural K-12 education
 - Rural post-secondary education
 - Rural healthcare
 - Rural economic development
 - Rural government resilience
 - Rural Broadband
 - You heard earlier today a lot of information but want to emphasize that rural America has been left out of the digital process. This has been going on a long time, this is nothing new.
 - The rapid creation of an online broadband fabric mapping portfolio is a prerequisite to progress the FCC maps are out of date and inadequate for our purposes.
 - All the things that were an issue before Covid-19 are emphasized now, we need telehealth capacity.
 - We need a stable, truly high-speed service. After speaking with Sonia Perez, it is noted that we have more capacity than we have awareness of. If a rural clinic hasn't had to use telehealth when an emergency hit, patients and professionals really weren't prepared to do what needed to be done.
 - Rural entrepreneurs are at a significant disadvantage if they don't have the broadband support and accessible, affordable support to do work that other entrepreneurs do
 - Rural entrepreneurship
 - A key pathway to long term success.
 - We have to do a better job at identifying our talent and giving them the resources. Letting young people know they have a chance to create their own future.
 - Rural food system
 - Close work with Agriculture – the Task Force wanted to make sure that we brought attention to food system opportunities, particularly in what is referred to as agriculture of the middle. Profit driven, scaled up businesses not feeder to farmers markets. This can make a big economic

- impact, roughly 10 to 1000 acres growing source identified products as primarily food products.
- We have a major Louisiana based food distributor, that is willing to place orders for Louisiana grown produce. Things that can actually get on the tables in Louisiana.
 - The economic impact of changing our habits and changing our food system delivery so that we're buying produce grown in Louisiana instead of exporting our cash to other places it's a chance to reverse the flow of cash in Louisiana. This would also give us healthier, fresh food on the table at the same time.
- Rural recreation
 - This connects very closely with Tourism. This can be considered untapped potential for the entrepreneurs, they can play a large role here. We believe that this is in most of our rural communities.
 - Rural education
 - Our school systems suffer from a lack of financial resources, lack of local resources to implement best practices, difficulty in recruiting and retaining talent to work in the schools, limited opportunities for advanced programming.
 - A challenge during this time is using the power of broadband access to solve the educational challenge, they are magnified in rural areas
 - Post-secondary education includes lack of a pervasive college, there are still people without the knowledge or the expectation that they can get more after graduating high school. Rural areas have low graduation rates, lack of stable funding for higher education, all of the other things that you've heard.
 - Rural healthcare
 - We need to dramatically accelerate the adoption of telehealth in rural areas, there aren't enough doctors and healthcare professionals to go around.
 - Rural government
 - Already seeing headlines regarding potential financial failure of small communities and the significant financial issues. There are specific recommendations about state oversight and support for stabilizing the finances of rural communities.
 - Final comments
 - There is a large opportunity here to take Louisiana to the next level. There are challenges described not only for our state but around the nation. It's a failure of imagination on all of our parts to not see the magnitude of opportunity and to invest in scale. It effects everything that is being considered at the Commission level. This is the chance to move

Louisiana up in the rankings. Putting broadband deployment and applications at the top of the list would help move Louisiana up.

- Public comments and questions
 - Sonia Perez: (tried to speak but connection was lost)
 - Dr. Jim Richardson: Comments earlier in the presentation regarding having a high connection, is that a matter of poverty, is that a matter of people are not interested, or people don't have enough company to need it.
 - In some ways, it is a little bit of all those things. Big investments and more capacity are needed, need to find a way to do what the market doesn't do. Reach out to low concentration areas and provide service anyway. We need to recognize, broadly speaking, we need to note that we don't have enough people that even know what that looks like.
 - Terrie Sterling: Interested in the study of understanding where the perceptions and recommendation on the differences between rural poverty and urban poverty and the recommendations. Where are they similar, share drivers and where they diverge.
 - Will circle around and have an offline, in depth discussion. Both of those things are true, there are many shared drivers. When working in poor rural communities we often see the same challenges that you see in inner city.
 - There is also a difference you see in spatial poverty and concentrated poverty. There are specific mechanisms of how you address it end up being different, but it's not a matter of wildly different situations.
 - Scott Podvin: thank you the young leaders out there. They have a lot to learn from us, and we have some to learn from them as well. As we roll out the highways, we roll out electricity. Obviously, we need to be including the internet highway in that and coupling that together with sewer and water, which is a real issue in rural America. If we take a comprehensive approach, in the end, it would be more efficient and more cost effective.
 - Commissioner Mike Strain: grew up most of my life in rural areas and could speak at length about rural poverty. Wanted to go into detail regarding the lack of basic fundamental assistance and breaking that chain of poverty. Mentioned a report about it, going to talk through those types of issues and offered to be called on for support and discuss the overlaps of rural, suburban and urban poverty differences.
- Food & Agriculture Task Force Presentation
 - Presented by Mike Strain

- Welcome and introduction by the FFA State Leadership team
- Stable workforce: in the initial outbreak of COVID19 it amplified our issues with a stable workforce. Looking back if asked, we would have needed more industry, more micro processing, more jobs but the bottom line is we're having difficulties finding workers for the factories we have. Even as we've improved work conditions we've improved salaries in those systems. At those moments, there was a key streamline supply chain, with a disruption you see what you necessary like milk, toilet paper, eggs. Most of the processing facilities are running about 90% but not all of them.
 - The kicker to this sector is that when we don't have healthy, strong workforce and those processing facilities. The entire supply chain breaks down. It's been key to work with the Governor's office, Health and Hospitals, the CDC, OSHA and other development programs to get healthy working environments.
 - As a result of that, there is a higher cost per unit of production. We've seen this with the inflation of food prices which becomes an issue with poor people among us. Last month food inflation was over 4%, proteins 10%, cereals 2.6% and a lot of this will continue so there are pressures. We are rediscovering how we can do thing, but again, getting and keeping a stable workforce.
 - Many of the different companies that are working are worried about the current legal tort that they may face. It is very serious and many are reconsidering what they are doing and concerned about the short and long term, future recommendations.
 - One of the top has been broadband access. Agriculture runs on broadband, all of our high technologies and equipment. One of the issues with keeping young people in rural areas is the access to broadband to look up and get things online, quotes and encyclopedia help with homework.
- There are still many areas in the state where you don't have cell service much less broadband. There is going to be state money available, knowing that company is going to have to make investments and they may not make the profits back for years, but we have to have that in order to grow these rural areas.
- There are two significant migrations. You have people that have not found the job or the availability of jobs in the rural area are moving into suburban and urban, then you have people from deep urban areas are moving out. One very positive point to all this is that they will be working with Louisiana Workforce Commission, who will be assigning an agricultural liaison for workforce and development.

- Allowing up to reach out to students at an earlier age, to have better training for the skilled jobs.
- Most people think about agriculture jobs as picking fruits and vegetables, that is a very small minority of agriculture. Most are large scale high tech, heavy equipment and technology jobs. Looking back again on how we train, not only our community and technical colleges, but our accelerators and universities are for the students to be able to go back and directly into those jobs.
 - Ag education is important. Supporting 4-H and FFA programs. If we lose FFA program when the parishes decide not to continue them in school, then we lose a very positive thing that has been done. We need to continue to encourage and grow these areas.
 - It is important to have FFA prevalent in schools. A recent workforce study shows that an average FFA person increased their salary by \$1,500 dollars a year by going through that program. State superintendents need to understand that rural areas are the foundational areas of our economy. That is where the natural resources are, both ag and forestry for example.
- Opening up additional markets is also key. We are opening up some but we need them open across the world. All of our facilities, we are expanding our infrastructure for export. But again, opening up additional markets, we have the Mississippi River and the largest port system, we need to take full advantage of that.
- Working on a Certified Louisiana program to promote locally grown. Don't buy fresh, buy local Louisiana. It needs to be funded, it currently receives no state general fund at all for promotional programs. This is to help aggressively market Louisiana products and to help revitalize small scale agriculture.
- The cost of insurance has significantly gone up making it hard to stay in business. The cost of insurance is becoming greater than the profitability of the enterprise.
- Food deserts: There are some areas where it is 30 to 40 miles to a supermarket. We are noticing during COVID19 that people are lacking in proper nutrition, specifically vitamin D and other things. They are sicker and have worse outcomes. We need to address these food deserts. Also note, that poor people generally pay more per unit of food. It is what is generally available having a lower quality and higher price.
- Agriculture tax benefits: there are a number of tax exemptions and protections in agriculture. We need to preserve these because not only are we competing with other states, we are also competing internationally.
 - When you look at the overall input costs into a crop. The average input costs per crop performer is between one and \$1.5 million. There is a lot of cash flow there but there is also taxing. Which makes us again,

- noncompetitive because of net profitability. We must continue to grow and protect that programmatic funding and make sure that we hit departments that have the funds.
- As the largest regulatory agency in the state, we also need additional dollars for research. Go into our ag centers so that they can continue to develop new varieties of crops. We are having to develop new varieties of crops to stay cutting edge.
 - There is a large value to Louisiana agriculture. There is a lot of discussion around infrastructure and with the rural roads and bridges wearing out, there are not a lot of sufficient investments in those so they are looking at putting additional taxes, fees and permits on agriculture and forestry trucks which would be very expensive.
 - Investment in ports increases our ability to export, which increased our efficiency. We have to invest in those entities that have that kind of outreach.
 - Questions for Food and Agriculture TF
 - Terrie Sterling: Question regarding the misperception of the quality of jobs in the agriculture sector. Can you speak to average rate of pay benefits, diversity in gender and ethnicity in those roles?
 - What is happening on the farm, due to lack of labor, most farms are just family members working. When they used to hire a number of people to work on the farms, not they've moved to greater technology. Example: a cotton picker has now replaced seven people and seven machines. Now family members are being educated who work now off a profit sharing. From the processing side, knowing that it is hard work; the benefits, values of those jobs and quality of job environment has improved dramatically. Also looking at how we can retain as much as possible for the community.
 - As far as overall diversity, on the majority of large scale farms are probably going to be Caucasian and secondarily African American, a lot of the small-scale produce farms that are hands on. We can probably get better numbers and information from the Ag census. A lot of the processing facilities are predominately Hispanic, African American and then Caucasian in that order.
 - Sonia Perez: Question regarding guest worker program. How engaged are we at a federal level to assure that the administration team understands the importance of that program, ensure our agricultural situation in Louisiana? Greatly appreciate your comments regarding its importance, so that the work doesn't go offshore.
 - These programs have been held hostage to political pressures and the people that need it. When you think about a quarter million workers, I mean that's six workers for each zip code. You know it when, unless you

are that entity that's needs those workers, if you're in the profit business. There are only certain sectors in the country where it is critical and vital so it does not get the attention and most of our struggles have been working with Homeland Security. Working through the hiccups and having to call congressional delegation to intercede and deal with a particular issue. Most of the time, most workers are coming from Mexico but also other areas of the world. It is very costly and time consuming to not know if you are going to get your workers. It is overburdened some but continuing to work to find ways to gets these workers here.

- Sadie Foster: you mentioned that China recently surpassed Mexico and Canada again as a primary trade export location, with COVID still being a factor, do you think this will fluctuate during the winter months, and if so, how can we as the youth and all of you, manage that?
 - I do think it will fluctuate. We've seen a rise in China and Beijing. Hopefully, though, what's going to happen is that we have better controls at all the different ports in China. China is the world's largest importer of food, fuel and fiber. So now, due to the overall world instability in the supply chain, there's a greater demand worldwide for those.
- Motion to Adjourn by Andrew Doss
 - Moved by Jade Brown-Russell and seconded by Sec. Don Pierson