



RESILIENT LOUISIANA COMMISSION

CO-CHAIR DON PIERSON

CO-CHAIR TERRIE STERLING

Retail & Small Business Task Force
Tuesday, May 26, 2020
Meeting called to order at 3:00 p.m.

Task Force Members Present

- Myra Pineda
- Christine Bruneau
- Kelisha Garrett
- Jessica Elliott
- Edward Harold
- Trevelayn Brown
- Shawn Brayton
- Edwin Neill
- Chad Bordelon
- Van Lam
- Anjelica Rivera
- Ronnie Slone
- Teresa Lawrence
- Blanca Robinson
- Jacqueline Brettner
- Brittany Dunn
- Michael Lafitte
- Jerry W. Jones, Jr.
- Belinda Zhou
- Sonya Jacobs.

- Call to Order and Roll Call
 - The meeting was called to order at 3:00PM on Tuesday, May 26, 2020, by Kelisha Garrett.
 - Ms. Garrett started the meeting with calling role to see who was in attendance for the meeting. The task force members listed above were present for the meeting. A quorum was present.
 - Ms. Garrett called one more time to see if anyone was missed during the roll call, she then asked that anyone who entered the call after this point to send a message in the group chat to confirm they were present and that she would check it afterwards to mark that they did in fact participate in the meeting.

- Certification for Lack of Quorum
 - Ms. Garrett then notified everyone that she would be reading the Certification of Inability to Operate Due to Lack of Quorum. Ms. Garrett then read the notice JVE2020-59 issued by Governor John Bel Edwards on May 14, 2020 to those in attendance to the meeting via the Zoom interface.

- Review and Approval of Prior Meeting Minutes
 - After reading notice JVE2020-59 to all participants in the Zoom meeting, Ms. Garrett then asked for approval of the prior meeting minutes that was sent by email to everyone.
 - Chad Bordelon was the first to give a motion to approve the meeting minutes from the last meeting. Ronnie Slone was the second attendee to give motion to approve the meeting minutes for the last meeting.
 - Ms. Garrett then called for everyone that was all in favor of approving the minutes and all attendees to the meeting voted “Aye” approving the meeting minutes.

- Updates Regarding ongoing concerns
 - Ms. Garrett then called on Ms. Pineda to speak on updates regarding the ongoing concerns that had been relayed to the commission in charge. Ms. Pineda then announced that she would be addressing the ongoing concern regarding tattoo parlor and esthetics situation which is prohibiting these individuals from working at this present time.
 - Ms. Pineda then said that they had not received any kind of acknowledgement regarding the communication that was drafted by Small Business and Retail Task Force of the Resilient Louisiana Commission and sent on Saturday May 23, 2020 but that she knew that the Governor and appropriate parties had received the document.
 - Ms. Pineda then read the entirety of the Request and Recommendation document that was sent to the Governor of Louisiana and other corresponding parties on Saturday May 23, 2020, to the meeting members.
 - Ms. Garrett thanked Ms. Pineda for the reading of the Request and Recommendation document and said that they have heard the concerns of the individuals participating in the task force.
 - Ms. Garrett addressed those asking for assistance with getting clarity around the selection of agencies and what has been allowed because it has been brought to their

attention to be more prevalent in a smaller micro business setting, and that many of these organizations are still in a state of confusion as it relates to the opening process and or the determination of the opening process. She also said that they are still waiting on that information to be acknowledged and then from there they would receive input and guidance so that it can then be passed along to those individuals that have reached out personally and through the Resilient Louisiana Commission website.

- Guest Speakers: Jacqueline Brettner and Carmen Sunda
 - Ms. Garrett then announced that we would be moving onto the guest speaker portion of today's meeting. Ms. Garrett then called on Ms. Pineda to introduce the guest speakers to the meeting attendees.
Ms. Pineda then went on to call on Ms. Sunda to start her portion of her guest speaker spot in the meeting.
 - Ms. Garrett introduced Ms. Sunda as the Director of Louisiana Small Business Development Center of Greater New Orleans, and gave a brief explanation of what Ms. Sunda does at her organization. She also said that she has owned her own business, was an assistant professor for over 25 years with Loyola University and the University of New Orleans.
 - Ms. Sunda began her presentation by saying she had one key points she wanted to make that the LSBDC has been responding to disasters for about 15 years and that she never thought she would have to say that but they have been doing this since 2005 when Hurricane Katrina and Rita hit New Orleans.
 - Ms. Sunda then said that she had two things she wanted to talk about which was the consulting that her company does is pretty intense and that they partnered with many people to do many different trainings and that the core of what they do is provide access to capital and help them determine what kind of loan that they can apply for with their business. She also stated that they can typically find a consultant for whatever the business may need at that time that they are helping them.
 - Ms. Sunda said they have been busy with helping business owners navigate the SBA disaster loans and the PPE application and loan process.
 - Ms. Sunda then said what they are also doing now is really helping people view the application forgiveness guidelines and procedures and the applications themselves and trying to make sure that they comply with the information they are given at this time. One of the most challenging things is the constant rapidly changing information they receive that can make it difficult for the LSBDC and business owners to comply with the ever changing regulations.
 - Ms. Sunda said that another thing they are doing right now is helping business owners pivot their business models and helping them figure out what their business and business model will look like going forward.
 - Ms. Sunda then said that she would be more than happy to address any questions that the meeting attendees may have.
 - Ms. Pineda then read each question to Ms. Sunda for her to answer them. The first question was regarding the PPE, but that we will start with the forgiveness Ms. Sunda was talking about. She wanted more clarification on what is meant by the word

- “forgivable” but there are rules to have to be followed regarding this and that she would like more clarification on what this means to those applying for different relief packages.
- Ms. Sunda said the most important thing is to have very clean and organized documentation and that the guidelines are still slightly “murky” right now and that “it is what it is and that’s what we have to deal with.” The PPP forgiveness application was put out before any kind of guidelines and it’s her belief that there will be more guidelines coming down. They check every day and the most recent thing that she knows about came out May 22, 2020 and they have been studying that. But until they get further guidelines they are urging their clients to take a really close look at the application and they are walking them through it with a mock up draft and seeing how they would answer the questions about what documentation they had. They do not have any further guidance since May 22, 2020, and that on that date the interim guidelines did clarify a number of things definition wise and it is on the treasury website, but there had been a number of individuals who had put out their interpretations in “plain English.”
 - Ms. Pineda asked “How can we find a more layman’s terms checklist or something that they can share through their organizations that could help?”
 - Ms. Sunda then said that she would have to look and see if someone has pulled it together. But the one that she had found most helpful recently was an article that came out in Forbes a couple of days ago that put in “plain English” some of those final guidelines and explanations of those final guidelines. It further defined what they meant by FTE’s and further defined what kind of exclusions you had for a reduction in cases for smaller businesses were worried because a lot of business owners were worried that even if they offered the job back to the employee and they did not come back or they did not want to come back, so what would they do in those cases, and it spelled out further guidance on those situations.
 - Ms. Sunda said that she would work on and that she said she would try and find out if there was
 - Ms. Pineda then read the next question for Ms. Sunda. The question was what is capacity for the PPP program among MDIs, CDIs and Credit Unions who use outside contractors to help with the need and demand?
 - Ms. Sunda’s was response was that to her knowledge the CDF’s or the people who have them and are lending the money have engaged with technical assistance advisors like themselves to do that. She also said that she had been working hand in hand with a lot of the micro lenders like Lift Fund and Credit Unions and things like that. She said that she was not aware that they had gone and asked for additional help from private consultants at this point.
 - Ms. Pineda then asked if Ms. Sunda had noticed if there was a slowdown in applications for the PPP’s.
 - Ms. Sunda said that there was a lot of need out there and that there was a couple of things that had happened that businesses are very concerned about. One is the legislation had been proposed at the federal level for some changes and tweaks in the PPP that had not happened yet. One of the bigger issues is getting the money spent by all of the deadlines and what is not clear is a period would be that by June 30, you would have to have this money spent. She then said she thinks the applications have

slimmed out for two reasons and the first is what she saw in the second wave was that a lot of businesses that when you actually took a look at the financial statements they just were not eligible for the PPP loan they would have gotten because it would have been so small that it was not worth the paperwork of putting it through for such a small amount. She said that the other concern was that small businesses had a complexity or an apparent complexity of the PPP and that she thinks the whole thing was very confusing. She then added that she also thinks that the looming deadline and the fact that businesses are not truly back and they cannot hire the number of employees going forward that they had pre-covid.

- Ms. Pineda then said that she had another question from Jacqueline Brettner saying, “On PPP has there been any additional guidance for lenders with LLC partner employee monthly draws as guaranteed payment?”
- Ms. Sunda replied asking if she could get back to Ms. Brettner’s question and that she would email her a response in writing.
- Ms. Brettner confirmed that this would be fine and then said that it’s a IRS distinction even though it was that they went with what was listed on the IRS distinction without thinking about the smaller micro businesses that are essentially giving themselves a salary through partner draws.
- Ms. Pineda then asked the last question for Ms. Sunda and it was regarding the IDL limited to agricultural and what she foresees.
- Ms. Sunda responded that there has not been an official announcement from the SBA. But from a practical “this is what is happening” standpoint they are seeing that folks are now able to apply and in reality, they are being offered up to \$150,000 and that seems to be the limit. There is no official word from the SBA on this but that is what they see. Unfortunately, they do not have any further information about whether or not they can go back and get more or what the current status of the legislation is. The LSBDC knows as much as you do by just seeing what is going on through what the media reports. They are not seeing immediate movement on it.
- Ms. Sunda stated that the EIDL loan is a long-term loan to help the businesses rebuild and recover and for some businesses that is enough and for others it is not enough at all.
- Ms. Pineda then said at this time she will be closing out Ms. Sunda’s session and called for any last-minute questions before we switched to Ms. Brettner’s guest speaker position.
- Mr. Bordelon added that he has a comment that he had found that because of the negative publicity around the PPP “running out of money” and “being complicated” that a lot of people have not actually applied for it that certainly could. He has actually been calling his small business acquaintances and he cannot tell you how many sophisticated business people that should know this is very easy to apply for that have done it now, had no idea it was as simple as it is.
- Ms. Sunda replied to Mr. Bordelon by saying that a lot of small businesses said that it did not make economic sense to them because they were closed due to the stay at home order and that turned out a lot longer than projected and particularly they had less than 50 employees and those employees went on unemployment and so in order to spend the money in the allotted time period they have had to bring employees back and pay

- them for not working because there is no revenue coming in. She thinks a lot of them are afraid to pay people that they would have to lay off again after their PPP loan ran out because there is no revenue coming in for them to continue paying the employee's.
- Mr. Bordelon replied that he agrees with that statement, but the thing he was talking to people saying it is less expensive for the government than unemployment with the plus side that positives are being done.
 - Ms. Sunda and Mr. Bordelon agree that many businesses should have their employees working and finding them something to do even if it is cleaning up, or painting and researching and getting things ready for when things start opening up again so that these employees do not get used to only sitting at home. But ultimately a lot of business owners are afraid to bring people back only to have to lay them off again once the PPP ran out.
 - Ms. Garrett then announced that she had one question before we went to Ms. Brettner's speaking portion. Her question was "To that point of the EIDL not being opened for applications, there are people who have not heard anything from the SBA regarding their applications, is there an expected time frame in which they will hear that they were not approved or that they will be moving forward to the next stage?"
 - Ms. Sunda's response was if they got an application number meaning they got an EIDL advance they hear from the SBA and this is why the portal is closed for new applications. They are processing everything in the portal as of now and clients are slowly hearing back about their application.
 - Ms. Garrett then thanked Ms. Sunda for sharing the information and said that they will be getting this information out to the participants.
 - Ms. Garrett started Ms. Brettner's introduction with saying that keeping your personal information and your clients' information has never been more important than it is today. In talking to Ms. Brettner and an IT Commission and two of their members they started to discuss how IT impacts small businesses and what they would be looking at from a retail standpoint to a micro business standpoint in protecting data and data integration and access to having information technology.
 - Ms. Garrett then asked Ms. Pineda to introduce Ms. Brettner to the attendees of the Zoom meeting.
Ms. Pineda then proceeded to give a brief introduction on Ms. Brettner and her roles at her place of work.
 - Ms. Brettner started her guest speaking portion by stating that in preparing for the meeting she and Kelisha had with the ITC a week ago she took a step back to figure out that as a "normal" person who is not too familiar with cyber security and awareness, what would she be most concerned about? She came up with a couple of categories and the first one is tech adoption and education. In this category she says that the pandemic really pushed people who were either already going in that direction or had not done anything to really incorporate new technological developments into their workplace. But what worried her about incorporating this new technology into the workplace is what comes afterwards which is risk management, identification of liability, regulatory compliance, and the business costs that are associated with these new developments.

- Ms. Brettner then stated that all of this brought her to the idea of what can we do in our section to consider the circumstances in these various levels of education in technological adoption to identify the best practices.
- Ms. Brettner said that a lot of people in small businesses realm have a hard time complying or lack resources/education on privacy concerns when it comes to cyber security. They might think, for example, that by hiring Amazon web services to host their data that they are in the clear but that is not always in the clear.
- Ms. Brettner then stated that we should put together some standard guidelines as far as cyber security goes with minimum requirements for hardware, software, security recommendations as far as fire walls, web security, the use of VPNs and how to use them, how to incorporate this into your risk management program, what is available to you, and what do you need in accordance to your industry.
- Ms. Brettner then went on to say that the section we are charged with the small business and retail section it is not only a lack of learning and educating and bringing them up to speed with the things they are already using and potentially being vulnerable. It is also the fact that most small business process their own POS. They are usually using a payment system or invoice system that is located on the cloud or mobile POS via the square, venmo and so what they did was they came up with some resources that were identified as being beneficial towards helping RSV's successfully operate during the stay at home order and for going forward.
- Ms. Brettner then read from a document that is not yet finished just to give an idea on the guidelines they had come up with for cyber security going forward.
- Ms. Brettner then started speaking about the concrete things that she thinks should be done which are that we should partner with the ITC team, establish various guidelines and best practices on use and availability of open source VPNs, firewall purposes and basic hardware for remote management of work from home employees that are handling sensitive information or have access to sensitive information, basic ten point guidelines for the proper use of administrative access rights.
- Ms. Brettner then said that we really need to protect our businesses and so this is why the guidelines for hardware and software establishing minimum requirements for all of these so that we can then advocate for legislative action to create a safe harbor from liability for small businesses, micro businesses, and retail businesses that comply with the minimum requirements suggested by the commission and they should do this on a local and regional and national push. It is something she thinks that we should advocate through the Governor through local legislative branch and something that will involve some kind of connection with congress so that we can make sure that the safe harbors we would be creating would actually function as they are supposed to for individuals in the retail and tourism industry that are hosting information and are being required to keep record of all of this PII.
- Ms. Brettner then came to asking how everyone would be able to pay for all of this. She stated that it is very expensive to put into place the right security standards and to follow all of the protocols. Then stated what they had been talking about was looking into making some recommendations of using fiscal policy as an incentive, and what she means by this is that compliant businesses would get tax credits for meeting minimum standards on a sliding scale based on the value of the business.

- Ms. Brettner then said another option would be the creation of a pool from an insurance perspective. The first one is a pool for risk management for retail and micro businesses where they can get affordable coverage that says you are covered if “XYZ” hypothetically happens that says you are covered if you meet the minimum requirements. This would do two things the first is make it affordable and the second is it would set strict standards and give you the security that you are covered, it will also incentivize people to go through the process of doing this so that they can qualify for that safe harbor protection.
- Ms. Brettner then said that on a risk management and liability perspective she was going to help do some guidelines and protocols and educational resources for the “weakest links” which are the vendors.
- Ms. Brettner said that she thinks they need an app for all of the restaurants and curbside retail partners that can help them obtain information, pay to pay information without touch, but it can encrypt it at all points so that they are protected and it can help them incorporate staggered pick-ups, staggered shifts, and there is so much more that AI can do in these situations to make things easier when they are trying to stretch resources for additional costs that were not anticipated.
- Ms. Brettner then added to the legislative recommendation portion that they should reach out and create the safe havens regionally and nationally if we can. It would make it easier to getting us to a singular frame work there for making things easier on ourselves as a country.
- Ms. Garrett interjected and added onto Ms. Brettner’s portion and stated as we were getting granular in our conversation and fine tuning this new curbside process that is going on things that have been built were built with parking accommodations for patrons their immediate use, we have now thrown into play that people are going to be driving through so there will be safety issues were you will need to have some form of an automated checkout process and numbering system with additional safety for the customers and employees with a protective standpoint.
- Ms. Garrett stated that we also need barriers and more protective measures so that employees are not transmitting data or data sharing over unsafe networks when they are working from home. She also said that there is more that needs to be discussed so that we can protect our small business community as well as protect our employees to the extent that they are representing us from a business aspect so they are not having to do this for years prior and not having full guidance as far as what are the regulatory requirements and accessibility to this type of information.
- Ms. Brettner then stated she had one other comment to make in addition to what Ms. Garrett had just said. She said that they are also aware of the fact that if they put these guidelines together and set these standards we need to put it in a gated content on the Resilient Louisiana Commission website otherwise they are just giving hackers exactly what they need for them to know what kind of cyber security we would be setting up. We would require registration of a legitimate Louisiana Business for this to be accessed, and we will verify that it is a legitimate business with the Louisiana Secretary of State.
- Ms. Garrett then asked if there were any questions for Ms. Brettner.
- Mr. Nunez had this question for Ms. Sunda, “LED has money in a small emerging business and government program that helps people with websites, and can you

comment on how that source of funding can be used for addressing issues that Jacqueline was speaking of for her company's services to help small businesses with cyber security?" Ms. Sunda stated that Mr. Nunez' idea was an excellent one and actually said that she could investigate that because there is really a pressing need both in terms of training but also in terms of specific training with a cyber security consultant that would come and help a small business set this kind of thing up.

- Ms. Brettner chimed in to say that she was planning on donating her time but if something could be set up to use the funds to do this it could be arranged. Mr. Nunez then said that for those that may not be aware of the program he is talking about which is one of the best things LED does with small and micro businesses can you elaborate on the program yourself, and how businesses can get registered for it.
 - Ms. Sunda replied that yes she can explain and what LED provides is co-funding on specific projects, like a one on one project with a consultant would be a 50% co-share arrangement.
- Closing Remarks and Adjournment
 - Ms. Garrett then said that she wanted to make sure that as they are looking at ways to provide this type of assistance that those are the kind of recommendations that we need. We need to collectively come together and pull our resources and historical expertise and try to figure out a way that we can start to help out our small businesses and our micro businesses and retail communities.
 - Ms. Pineda reminded members to review the guidelines that were distributed from LED because those guidelines will be followed in our second report to the Resilient Louisiana Commission. The report is due on June 12.
 - Ms. Brettner moved to adjourn the meeting. Ronnie Slone seconded.

The meeting to adjourned at 4:27 p.m.