

Louisiana Economic Recovery Task Force
Phase II Report
June 4, 2020

LOUISIANA

**ECONOMIC
RECOVERY**

TASKFORCE

Presented to
Senate President Page Cortez and House Speaker Clay Schexnayder

Louisiana Economic Recovery Task Force Business and Government Working Together

The LAER Task Force comprises private sector business leaders tasked with advising lawmakers on economic recovery in the wake of the COVID-19 pandemic. The goal of the Task Force, established by Senate President Page Cortez and House Speaker Clay Schexnayder, is to develop practical and specific policy recommendations to jump-start the Louisiana economy in the short term and lay the foundation for continued economic resurgence in the months and years to come.

Louisiana Economic Recovery Task Force Letter from the President and Speaker

PATRICK PAGE CORTEZ
PRESIDENT OF THE SENATE



CLAY SCHEXNAYDER
SPEAKER OF THE
HOUSE OF REPRESENTATIVES

LOUISIANA LEGISLATURE

Louisiana is no stranger to recovery. Whether overcoming a hurricane, a flood, or a global health pandemic, the people of Louisiana know how to make a comeback. In the wake of COVID-19, it is our job as elected officials to give Louisiana families and businesses a hand up as they prepare to recover. We sought guidance from job creators, both large and small, and industry leaders across the state who came together to form the Louisiana Economic Recovery Task Force to give us guidance as an effective way to help in the recovery.

We sincerely thank the task force members who stepped up to the challenge, including Chairman Jason DeCuir and Vice Chairman Joel Robideaux. These task force members volunteered their time and resources for the betterment of our state. In just one month, this group of private sector business leaders put forth a two-part actionable plan to jumpstart Louisiana's economy in the wake of the Coronavirus pandemic. Louisiana families stand to benefit because business and government have worked together.

Phase I recommendations from the task force focused on bringing immediate relief to the families and businesses of this state. The majority of the recommendations are currently moving through the legislative process and have been well received by the Legislature. Phase II recommendations will target interim recovery. After reading the task force report, we are optimistic that the recommendations can serve as a basis for legislation in the near future.

While we continue to work on slowing the spread of COVID-19, we must simultaneously work on getting Louisiana's economy running again. Our most vital industries and beloved businesses are facing serious financial repercussions due to no fault of their own. We have a challenging road ahead, but with the guidance of this task force, we are better prepared to support the recovery process, not only for the sake of businesses, but also for the sake of our workforce, our families, and our entire state. Louisiana has seen more than its fair share of tragedies and has always persevered because of our people. We will persevere again.

Page Cortez
Louisiana Senate President

Clay Schexnayder
Louisiana Speaker of the House



Louisiana Economic Recovery Task Force Task Force Leadership



JASON M. DECUIR, CHAIRMAN

Jason DeCuir oversees controversy and appeals, dispute resolution and legislative matters, as Principal within Ryan's Advocacy Practice. He represents clients in the business and industry sector, spanning several states, primarily in the Southeast. Ryan, LLC, is a leading global tax services firm with the largest indirect and property tax practices in North America. Prior to Ryan, DeCuir served as Chief of Staff, Assistant Secretary and Executive Counsel at the Louisiana Department of Revenue (LDR) during his tenure from 2011 – 2014. In these roles, he was an advisor to three Secretaries and to the Governor on legal and policy issues affecting state taxation.

While at LDR, DeCuir was responsible for the Litigation, Policy Services, Criminal Investigation, and Public Affairs Division. He also oversaw all legislative matters with respect to tax policy and was actively involved with national organizations such as FTA, MTC, COST and SEATA. In 2013, DeCuir was tasked by the Governor to help spearhead his tax reform efforts. In this role, he was instrumental in reforming the structure for tax appeals in the state of Louisiana, increasing the state's COST scorecard from a "D-" to a "B."

At Ryan, DeCuir continues to play an active role tracking tax policy at state capitols across the country, while representing clients from all industry sectors. DeCuir is known for his unique negotiating style and cultivating his broad base of relationships to deliver results for clients. He continues to specialize in dispute resolution, legislative advocacy and government relations.

In DeCuir's experience as a tax policy expert, he has been appointed to serve on the following councils and commissions: LABI's Taxation & Finance Issue Council (Chairman), the Louisiana Sales Tax Streamlining and Modernization Commission, the Louisiana Task Force on Structural Change in Budget and Tax Policy (HCR 11), the PAR Constitutional Advisory Council, the PAR Tax Advisory Committee, the Mississippi Department of Revenue Business Advisory Council, and served on a Governor's fiscal transition team to advise on budgetary and tax issues.

DeCuir is a frequent lecturer on state and local tax policy at national tax conferences around the country, including: Council on State Taxation (COST), Institute for Professionals in Taxation (IPT), Multi-State Tax Commission (MTC), Southeastern Association of Tax Administrators (SEATA), etc. DeCuir regularly appears on state and local television and radio shows as an expert on tax matters.

DeCuir's previous experience in the private sector includes being a tax attorney and partner in several law firms and the founder of a consulting firm that specialized in tax advocacy and governmental affairs for companies across multiple industry sectors. DeCuir has a Bachelor of Business Administration degree from Howard University where he was an Academic All-American and a four-year letterman as a place-kicker. He holds a Master of Business Administration degree from Louisiana Tech University, a Juris Doctor degree and a Bachelor of Civil Law degree from the Louisiana State University Paul M. Hebert Law Center, and a Master of Laws degree in Taxation from Georgetown University Law Center.

DeCuir has served on the Boards of Baton Rouge Food Bank, Boys and Girls Club, Cristo Rey Baton Rouge Franciscan High School, Inspire Charter Academy, LABI, Salvation Army, and Young Leaders Academy. He is also a member of the Federal, State and Local Bar Associations in Louisiana. In his spare time, DeCuir enjoys golfing, boating and is a color commentator for high school football on a major television network in Louisiana.



JOEL ROBIDEAUX, VICE-CHAIRMAN

Joel grew up in Lafayette where he and his wife Bobette raised their three boys — Dylan, Brennan and Luke. He is a graduate of the University of Southwestern Louisiana (now the University of Louisiana at Lafayette) and LSU, earning his master's degree in Finance before becoming a Certified Public Accountant (CPA). For 20 years he owned and operated a successful accounting firm in Lafayette, serving individuals, families and businesses before being elected as Lafayette Parish's chief executive.

In 2004, Joel was elected to the Louisiana House of Representatives. As a member of the Louisiana House of Representatives, he served in many leadership roles including Speaker Pro Tempore, Chairman of the House Ways & Means Committee, Chairman of the Joint Legislative Committee on Capital Outlay, Chairman of the Retirement Committee, and as a Louisiana State Bond Commission member.

During his tenure as a State Representative, Joel was recognized by his colleagues with the coveted Hudson Cup, the "Gentleman of the House" award for the legislator who "most exemplifies the qualities of decorum, respect, humor and leadership" during the 2013 legislative session.

In 2015, Joel was elected as Lafayette's Mayor-President. He served in that role for four years before deciding not to seek reelection. During his tenure as Mayor-President, Joel focused on leveraging Lafayette's entrepreneurship, fiber infrastructure, and cultural uniqueness as economic drivers. Managing a budget of over \$600 million, he identified areas of surplus and redirected over \$30 million to much needed drainage efforts. He also initiated the conversion of our Parish Animal Control Center to a "No-Kill Shelter" for domestic pets.

Mayor-President Robideaux has been active in the community, having served as Charter President of Kiwanis of Vermilion and a board member for both Camp De Bon Coeur and Habitat for Humanity. He has been an adjunct faculty member at UL and an instructor for Junior Achievement. As a fan of youth sports, he also coached for Lafayette Little League Baseball and Lafayette Youth Soccer.

Louisiana Economic Recovery Task Force Organizational Structure

Louisiana Economic Recovery Task Force

ORGANIZATION STRUCTURE

LEGISLATIVE SELECT
COMMITTEE ON LOUISIANA
ECONOMIC RECOVERY

PRESIDENT OF THE SENATE
SPEAKER OF THE HOUSE

(RECEIVES REPORT)

TASK FORCE

TASK FORCE CHAIR

ENSURING PUBLIC
HEALTH & SAFETY
AT WORK

SUPPORTING DIVERSE
INDUSTRIES ACROSS
THE LA ECONOMY TO
GROW & PROSPER

ENCOURAGING
LONG-TERM
ECONOMIC GROWTH

STEERING
GROUP

PROMOTING JOBS &
OPPORTUNITY FOR
LOUISIANA

REMOVING OBSTACLES
TO INCENTIVIZE JOB
CREATION &
ECONOMIC GROWTH

(FIVE WORK GROUPS)

Louisiana Economic Recovery Task Force Steering Group

Louisiana Economic Recovery Task Force

STEERING GROUP

CHAIR OF TASK FORCE

VICE-CHAIR OF TASK FORCE

FIVE CHAIRS OF WORK GROUPS

PRESIDENT'S APPOINTEE

SPEAKER'S APPOINTEE

FIVE SPECIAL ADVISORS

PUBLIC RELATIONS

Louisiana Economic Recovery Task Force Steering Group

Louisiana Economic Recovery Task Force

JOINT LEGISLATIVE SELECT COMMITTEE

SENATE

PRESIDENT, THE HONORABLE PAGE CORTEZ	PRESIDENT PRO TEMP, THE HONORABLE BETH MIZELL
FINANCE, SEN. "BODI" WHITE	REVENUE & FISCAL AFFAIRS SEN. BRET ALLAIN
DEMOCRATIC CAUCUS, SEN. TROY CARTER	HEALTH & WELFARE, SEN. FRED MILLS
COMMERCE, SEN. RONNIE JOHNS	REPUBLICAN DELEGATION, SEN. SHARON HEWITT
BLACK CAUCUS, SEN. JIMMY HARRIS	

HOUSE

SPEAKER, THE HONORABLE CLAY SCHEXNAYDER	SPEAKER PRO TEMP, THE HONORABLE TANNER MAGEE
APPROPRIATIONS, REP. "ZEE" ZERINGUE	WAYS & MEANS, REP. STUART BISHOP
COMMERCE, REP. PAULA DAVIS	HEALTH & WELFARE, REP. LARRY BAGLEY
DEMOCRATIC CAUCUS, REP. SAM JENKINS	REPUBLICAN DELEGATION, REP. BLAKE MIGUEZ

Louisiana Economic Recovery Task Force Phase II Report LAER Task Force Membership

Task Force Members

Task Force Chairman: Jason DeCuir, Ryan, LLC

Task Force Vice-Chairman: Joel Robideaux, Summit Financial

Senate President's Appointee: Verge Ausberry, LSU Athletics

Speaker of the House's Appointee: Lionel Rainey III, LR3 Public Relations

Task Force Members: Scott Ballard, Ballard Brands, LLC; Ballard Hospitality, LLC
Dr. Stephen Barnes, Kathleen Blanco Public Policy Center/ULL
Jim Bernhard, Bernhard Capital Partners
Greg Bowser, LCA/LCIA
Gifford Briggs, LOGA
Stephanie Calhoun, CenturyLink
Blake Chatelain, Red River Bank
Chett Chiasson, Greater Lafourche Port Commission
Jeff Copeskey, Exxon Mobil
David Cresson, CCA Louisiana
Hank Danos, Danos
Maura Donahue, Donahue Favret
Jeff Drozda, Louisiana Association of Health Plans
Lavelle Edmonson, Marathon Petroleum Company
David Ellis, Entergy New Orleans
Friday Ellis, Governor Property Group; Governors Cigar & Pipe
Tommy Faucheux, Dow
Art Favre, Performance Contractors, Inc.
John Finan, Franciscan Missionaries of Our Lady Health System
Kelisha Garrett, New Orleans Regional Black Chamber
Cody Gielen, Shop Rite/Tobacco Plus
Tyler Gray, LMOGA
Dr. Craig Greene, BROC Orthopedic Surgery; LA PSC District 2
Steve Grissom, The Newton Group
Bryan Hanks, Beta Land Services
Stan Harris, Louisiana Restaurant Association

Louisiana Economic Recovery Task Force Phase II Report LAER Task Force Membership

Task Force Members

Beverly Haydel, Sequitur Consulting
Michael Hecht, GNO, Inc.
Meryl Kennedy Farr, Kennedy Rice Mill, LLC; Neighbors, LLC
Adam Knapp, BRAC
Raymond Lasseigne, TMR Exploration, Inc.
Chris Leopold, Chris Leopold Specialty Company, LLC
Scott Martinez, North Louisiana Economic Partnership
Matt McKay, All Star Automotive Group
Jude Melville, B1Bank
Quentin L. Messer, New Orleans Business Alliance
Todd Murphy, Jefferson Chamber of Commerce
Richard Neal, Golden Nugget Lake Charles
Nannette Noland, The Powell Group
Pete November, Ochsner Health System
Dr. Katie O'Neal, LSUHSC; Our Lady of the Lake
Allyson Pharr, Acadian Ambulance
Scott Poole, RoyOMartin
Art Price, Badger Oil
Deborah Randolph, Central Louisiana Chamber of Commerce
Dave Roberts, Excel
Ruffin Rodrigue, Ruffino's
Eric Schouest, CLECO
Chris Schouest, iTA Truck Sales & Service, LLC; Fairway Transport, LLC; Acadiana Waste Services, LLC; Schilling Distributing Company
Dr. Loren C. Scott, Loren C. Scott & Associates, Inc.; LSU
Doug Shipley, Fairgrounds Race Course
Nathalie Simon, Laitram Manufacturing
Craig Spohn, Cyber Innovation Center
Dennis Stine, Stine Lumber
Dawn Starns, NFIB
George Swift, SWLA Economic Development Alliance/Chamber
Stephen Waguespack, LABI

Louisiana Economic Recovery Task Force Phase II Report LAER Task Force Membership

Advisors

Key Advisors:

Whitney LaNasa, Stonehenge Capital
Meghann Tullos, Ryan, LLC

Special Advisors:

Jim Bourgeois
Camille Conaway, LABI
Barker Dirmann, Ascension Chamber of Commerce
Beverly Haydel, Sequitur Consulting
Ileana Ledet, GNO, Inc.

Legislative Advisor:

Kean Jones

Louisiana Economic Recovery Task Force Phase II Report Task Force Work Groups

Task Force Work Groups:

- Group 1:** Ensuring Public Health and Safety at Work
- Group 2:** Promoting Jobs and Opportunity for Louisiana
- Group 3:** Supporting Diverse Industries across the Louisiana Economy to Grow and Prosper
- Group 4:** Removing Obstacles to Incentivize Job Creation and Economic Growth
- Group 5:** Encouraging Long-Term Economic Growth

Louisiana Economic Recovery Task Force Phase II Report Executive Summary

Executive Summary

Last month, the Louisiana Economic Recovery Task Force released its Phase I Report. The report included dozens of actionable recommendations for the Louisiana Legislature that would provide immediate relief to businesses and families coping with the unprecedented challenges of the COVID-19 pandemic. The recommendations spanned multiple subject matters, from tax relief to liability, and impacted a wide variety of industries, including healthcare, hospitality, oil and gas, and many others.

Due to the COVID-19 emergency and related stay-at-home orders, the Legislature did not begin its Regular Session work in earnest until May 4, leaving only four weeks before the constitutionally required adjournment on June 1. Given this compressed timeline, the Legislature has not been able to debate and consider as many bills as it traditionally would during a regular session. Additionally, by the time the Task Force was convened on April 17, the deadline for legislators to file bills had already passed. As a result, any Phase I ideas cultivated by the Task Force either had to be achievable through a concurrent resolution or able to align with a legislative instrument that had already been filed.

Despite these limitations, the Task Force's Phase I recommended moving to final passage. Among other things, these resolutions and bills will provide critical tax relief to businesses hard hit by the economic shutdown. They will also limit civil liability for individuals and businesses who have stepped up to provide assistance to those who are working to safely re-open, as well as temporarily suspend state licensing fees imposed on businesses who face significant liquidity challenges.

On May 22, the Legislature exercised its constitutional authority to call themselves into a Special Session immediately upon adjournment of the Regular Session on June 1. This Phase II Report includes recommendations the Task Force believes are appropriate for that Special Session. The recommendations cover several broad topics, but include ideas such as

- Providing direct financial assistance to small businesses;
- Temporarily broadening certain tax incentive programs to provide relief to specific industries hit particularly hard by COVID-19;
- Simplifying Louisiana's tax structure to encourage investment;
- Investing in training and other programs to fill workforce gaps resulting from COVID-19; and
- Establishing a coordinated campaign to re-attract tourism and major events to Louisiana.

During the Special Session, the Task Force also re-urges the Legislature to act on any of the Phase I recommendations that did not make it through the entire legislative process during the Regular Session. Many of these Phase I recommendations, as well as a vast majority of the Task Force's Phase II recommendations, were received by legislative leadership and included in the formal call for the Special Session.

Louisiana Economic Recovery Task Force Phase II Report Group 1: Ensuring Public Health and Safety at Work

Members

Scott Ballard, Ballard Brands, LLC; Ballard Hospitality, LLC

Jeff Drozda, Louisiana Association of Health Plans

David Ellis, Entergy New Orleans

Friday Ellis, Governor Property Group; Governors Cigar & Pipe

John Finan, Franciscan Missionaries of Our Lady Health System

Dr. Craig Greene, BROC Orthopedic Surgery, LA Public Service Commissioner District 2

Stan Harris, Louisiana Restaurant Association

Beverly Haydel, Sequitur Consulting

Quentin Messer, New Orleans Business Alliance

Pete November, Ochsner Health System

Dr. Catherine O'Neal, LSUHSC, Our Lady of the Lake

Allyson Pharr, Acadian Ambulance

Doug Shipley, Fairgrounds Race Course

Chair: Dr. Craig Greene

Special Advisor: Beverly Haydel

Introduction

The Public Health and Safety Work Group contains representatives not only from the healthcare industry but also from many other small and large businesses across multiple industries, including hospitality, food service and public utilities. The group began its work on April 28 and has met three times to gather input and feedback to narrow down and identify its top priorities for this Phase II Report:

1. Coordinated testing, tracing and tracking that is recommended, but not mandated for individuals, and adequate funding for healthcare providers to implement a coordinated statewide plan.
2. No unfunded mandates on business seeking to safely re-open and operate.
3. Greater access to capital and financial assistance for small businesses in areas hard hit by COVID-19.
4. Targeted incentives to help Louisiana's tourism and hospitality sectors.

Louisiana Economic Recovery Task Force Phase II Report

Group 1: Ensuring Public Health and Safety at Work

Recommendations

1. Encourage Re-Hiring and Investment

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Establish a program to provide direct funding to eligible businesses, including small businesses that did not/could not access PPP loans, businesses in certain sectors that have faced significant business interruption, and minority-owned businesses.	Title 51 (Trade and Commerce)	Business owners, employees, all Louisiana residents	Many employers continue to face challenges in re-hiring workers, in some cases because federal unemployment benefits are higher than weekly wages. This additional money could help businesses raise wages or provide additional workforce training programs.	SCR 65 (Sen. Cloud) Regular Session; Special Session Bill	Zero SGF. CARES Act money would be used.

2. Promote Louisiana as a Safe Place to do Business

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Establish a coordinated campaign to position Louisiana as a national leader in workplace health and safety and consider additional incentives to help Louisiana attract tourism and events in the future.	Title 51 (Trade and Commerce)	Business owners, local governments, employees, all Louisiana residents	Psychological safety of employees and consumers will significantly impact how quickly the Louisiana economy is able to rebound. A coordinated strategy and associated incentives will better situate us to compete with other states for major events and tourism business.	Special Session Bill	Zero SGF; CARES Act money should be used.

Louisiana Economic Recovery Task Force Phase II Report

Group 2: Promoting Jobs and Opportunity for Louisiana

Members

Dr. Stephen Barnes, Kathleen Blanco Public Policy Center/University of Louisiana at Lafayette
Tommy Faucheux, Dow
Cody Gielen, ShopRite/Tobacco Plus
Vic Lafont, South Louisiana Economic Council
Nannette Noland, The Powell Group
Deborah Randolph, Central Louisiana Chamber of Commerce
Eric Schouest, CLECO
Nathalie Simon, Laitram Manufacturing
George Swift, SWLA Economic Development Alliance/Chamber SWLA

Chair: Nathalie Simon

Special Advisor: Jim Bourgeois

Introduction

The Promoting Jobs and Opportunity for Louisiana Work Group contains representatives from small and large businesses across multiple industries, including food service, agriculture, petrochemical, and utilities. In addition, we are fortunate to have the perspective from economic develop and chambers of commerce as well. The group began its work on April 28 and has met three times to develop the top priorities provided in this Phase II Report:

1. Worker, employer, and place of employment safety continues to be of paramount importance, as is overall consumer confidence
2. Enact any recommendations from Phase I not acted on/still pending in Regular Legislative Session:
 - Limited liability protection for employers
 - Scaling of COVID-19 testing, contact tracing, and tracking
 - Clear guidance, not regulation, on PPE/hygiene protocols
 - Postponement of employer unemployment compensation contributions by two months for the second and third quarters
 - Prioritization of childcare workers/industry for COVID testing and liability protection
 - Restraint from reduction of budgets of education and workforce training providers, such as community colleges or technical training schools that can mobilize quickly to meet market demands and best maximize/leverage technology
 - Expansion of the scope of Quality Jobs and/or Enterprise Zones to include industries currently omitted (e.g., hotels, restaurants, retail) on a short-term basis

Louisiana Economic Recovery Task Force Phase II Report

Group 2: Promoting Jobs and Opportunity for Louisiana

3. Enable workforce training infrastructure to quickly adapt and remain coordinated following a declared emergency, such as COVID-19
4. Incentivize capital and other investment & programs
5. Support tourism industry and provide flexibility and access to funds for marketing
6. Renew and maintain commitment to bipartisan criminal justice reforms with a renewed and steadfast focus on reentry to facilitate gainful employment for reentering citizens and address their unique employment needs considering the increasingly uncertain economic landscape

Recommendations

1. Empower rapid workforce training and disaster response

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Give legislators appointed to the Workforce Investment Council authority to call meetings to ensure the state's workforce and education infrastructure will quickly adapt and remain coordinated following a declared emergency such as COVID-19	RS 23:2043	Louisiana workers, employers, and workforce and education system	Creates shared responsibility and authority between Governor's and Legislature's appointees to convene the WIC to quickly revise education / training plans and priorities	Amendments to existing statutes can establish an alternate process for calling meetings and develop short-term plans to deal with a declared emergency	Minimal
Create a Task Force on Innovative Funding and Strategies for Post-Secondary Education and Training	N/A	Louisiana workers, employers, and workforce and education system	Identify new solutions to ensure access to education and training with minimal and deferred budget impact	Resolution	None

Louisiana Economic Recovery Task Force Phase II Report

Group 2: Promoting Jobs and Opportunity for Louisiana

2. Expand programs to incentivize investment

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Incentivize new capital investment in the state and consider broadening the industry scope of the Industrial Tax Exemption Program to include distribution and other projects on a temporary or short-term basis	Title 13 (Economic Development)	All Louisiana citizens	Attraction of new investment and jobs by better Incentivizing businesses putting money into the economy	HB 347 (Ivey), HCR 4 (Beaulieu), SB 187 (White)	No fiscal impact on the state
Broaden the scope and inclusion of Quality Jobs and/or Enterprise Zones to industries currently omitted (e.g. hotels restaurants, retail) on a temporary or short-term basis	TITLE 51 - Trade and Commerce	All Louisiana citizens	Provide tax rebates to employers expanding their workforce		None, incentive for additional hiring will result in additional spending (i.e. sales tax receipts, property tax)

3. Create programs to incentivize investment

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Create an incentive framework to aggressively pursue re-shoring of PPE and medical related manufacturing (e.g. tax abatements, tax rebates)	Title 13 (Economic Development)	All Louisiana citizens	Attraction of new investment and jobs to Louisiana; gaining control over critical supply chain of medical equipment		Will be determined on size and number of projects

4. Support tourism by providing flexibility and access to funds for marketing

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Urge and request the Governor to work with HUD to request and obtain a waiver to utilize unspent community development block grant disaster recovery dollars (CDBG-DR) for the purpose of tourism marketing	Concurrent Resolution	Tourism related small businesses	With existing funding sources strained, resources for marketing Louisiana will be limited at a time most critical	N/A	None, use of Federal dollars
Temporarily suspend the provision of law capping amount of marketing funds (10%) which can be spent on in-state advertising through the end of July 2021	Suspends R.S. 51:1286(C)(2)(c)	Tourism related small businesses	Suspension of law would temporarily waive the 10% cap on in-state advertising through the end of July 2021	HCR 31	None, rededication of existing funds

5. Renew and maintain commitment to bipartisan criminal justice reforms with a focus on reentry

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Renew and maintain commitment to bipartisan criminal justice reforms, with a renewed and steadfast focus on reentry to facilitate gainful employment for reentering citizens and address their unique employment needs in light of the increasingly uncertain economic landscape		Reentrants, business owners, overall Louisiana citizens, including families of the previously incarcerated.	Provide access to gainful employment for those most at risk/the most obstacles, grow workforce and tax base, reduce recidivism and crime rates, provide for families of the previously incarcerated (17K released every year statewide).		

Louisiana Economic Recovery Task Force Phase II Report Group 3: Supporting Diverse Industries Across the Louisiana Economy to Grow and Prosper

Members

Jim Bernhard, Bernhard Capital Partners
Chett Chiasson, Greater Lafourche Port Commission
Blake Chatelain, Red River Bank
Hank Danos, Danos
Lavelle Edmonson, Marathon Petroleum Company
Meryl Kennedy, Kennedy Rice Mill, LLC
Adam Knapp, Baton Rouge Area Chamber
Scott Martinez, North Louisiana Economic Partnership
Matt McKay, AllStar Automotive Group
Richard Neal, Golden Nugget Lake Charles
Dave Roberts, Excel
Ruffin Rodrigue, Ruffino's Restaurants and Catering
Stephen Waguespack, Louisiana Association of Business & Industry

Chair: Stephen Waguespack

Special Advisor: Ileana Ledet

Introduction

The Supporting Diverse Industries Across the Louisiana Economy to Grow and Prosper (“Growth and Prosperity”) Work Group was tasked with seeking ways to help businesses solve liquidity problems, outline the challenges and needs of major industries, and find ways to address short- and long-term challenges. The group began its work on April 27 and has met four times to arrive at the four top priorities for this Phase II Report:

1. Enact any legislation that was not acted on in Regular Legislative Session (e.g. legal liability protection for employers, legal reform)
2. Systemic Tax Structure Simplification
3. Explore Constitutional Convention
4. Expanded, short-term programs that incentivize investment

Louisiana Economic Recovery Task Force Phase II Report Group 3: Supporting Diverse Industries Across the Louisiana Economy to Grow and Prosper

Jumpstart Commerce – Liability Protection

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Provide legal liability protection for employers	Title 9 (Civil Code)	Overall market, businesses, consumers benefitting from open commerce	Businesses reopen and operate with confidence	HB 826 (Pressly), HB 856 (Edmonds), SB 435 (Abraham), SB 491 (Hewitt), SB 508 (McMath) in regular session	None
Enact legal reform measures that discourage frivolous lawsuits and lead to lower costs	Title 22 (Insurance)	Louisiana citizens who see reduced auto insurance rates; businesses suffering from frivolous lawsuits	Louisiana's personal and commercial auto insurance markets become more competitive, driving down auto insurance rates	HB 9 (Garofalo), SB 418 (Talbot) in regular session	None

Jumpstart Commerce – Tax Simplification

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
NOL carryback	Title 47 (Revenue and Taxation)	Overall market, businesses	Provides business relief and enhances competitiveness	TBD	
Suspension or elimination of Franchise Tax	Title 47 (Revenue and Taxation)	Overall market, businesses	Better aligns Louisiana with other state; provides business relief and enhances competitiveness	HCR 43 (Edmonds), SCR 26 (Hewitt) in regular session	TBD
Centralized sales tax collection	Title 47 (Revenue and Taxation)	Businesses of all sizes, state and local governments	Aligns La. with other states, eases burden on businesses of remitting taxes to various jurisdictions; better positions the state to collect available sales tax	HB 428 (Echols), HB 429 and HB 791 (Magee) in regular session	Could be net positive due to additional sales tax collection

Louisiana Economic Recovery Task Force Phase II Report

Group 3: Supporting Diverse Industries Across the Louisiana Economy to Grow and Prosper

Jumpstart Commerce – Incentivize Investment

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Address changes to Industrial Tax Exemption Program	Title 13 (Economic Development)	Overall market, businesses, consumers benefitting from open commerce	Make Louisiana the obvious place to do business by better incentivizing manufacturers	HB 347 (Ivey), HCR 4 (Beaulieu), SB 187 (White) in regular session	Depends on type of change to program
Implement new, short-term tool to jumpstart investment and make Louisiana more attractive than competitors	Title 13 (Economic Development)	Overall market, state and local governments, workers, businesses	Provides incentive for employers to invest capital, generate immediate sales tax and property tax income	Stimulate investment to Maximize Parish and Local Economies (SIMPLE)	TBD

Jumpstart Commerce – Ease Regulatory Burdens

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Licensing reform	Title 37 (Professions and Occupations)	Licensing boards, employers, workers	Eases the barrier of entry for those eager to work; also eases burden for employers to hire qualified workers	HB 498 and HB 622 (Emerson), SB 469 (Johns)	None

Louisiana Economic Recovery Task Force

Phase II Report

Group 4: Removing Obstacles to Incentivize Job Creation and Economic Growth

Members

Greg Bowser, LCA/LCIA
Gifford Briggs, Louisiana Oil & Gas Association
Jeff Copeskey, Exxon Mobil
David Cresson, CCA Louisiana
Barker Dirmann, Ascension Chamber of Commerce
Bryan Hanks, Beta Land Services
Ray Lasseigne, TMR Exploration, Inc.
Chris Leopold, Chris Leopold Specialty Company, LLC
Jude Melville, B1Bank
Scott Poole, RoyOMartin
Chris Schouest, iTA Truck Sales & Service, LLC, Fairway Transport, LLC, Acadiana Waste Services, LLC, Schilling Distributing Company, LLC
Dawn Starns, NFIB

Chair: Scott Poole

Special Advisor: Barker Dirmann

Introduction

The Removing Obstacles to Incentivize Job Creation and Economic Growth Work Group (“Removing Obstacles Work Group”), chaired by Scott Poole, President and COO of RoyOMartin, is made up of a diverse group of business leaders from every corner of the state offering unmatched knowledge and expertise across all sectors of the Louisiana economy. Over the past month, the Removing Obstacles Work Group has held three virtual meetings to discuss and develop the following top priorities identified in this Phase II Report:

1. Pursue Phase I proposals not enacted during the Regular Legislative Session.
 - Legal liability protection for employers
 - Tax relief for recovering businesses
 - Protection from frivolous lawsuits
 - Relief from burdensome licensing requirements/regulations
2. Simplify Louisiana’s complicated tax structure to encourage investment in the private sector.
 - Inventory Tax Reform
 - Suspend taxes on manufacturing inputs like business utilities
 - Extend tax filing deadlines and suspend tax audits to coincide with declared disaster

Louisiana Economic Recovery Task Force Phase II Report

Group 4: Removing Obstacles to Incentivize Job Creation and Economic Growth

3. Offer a tax credit to reduce tax liability to business for qualified expenses related to COVID-19.
4. Working with LCTCS, develop a post COVID-19 training program designed to fill workforce gaps resulting from the COVID-19 economic shutdown.

Recommendations

1. Minimize Liability for Businesses Under Post COVID-19 Rules and Regulations

Proposal	Section of Law	Stakeholders	Impact	Potential Legislation Instrument	Fiscal Impact
Elevate the legal liability standard for COVID-19 related lawsuits from general negligence to gross negligence or willful misconduct.	Title 9 (Civil Code)	Businesses, Employers, Employees, Consumers	Relief from frivolous litigation	Continue to monitor HB 826 through the legislative process but if it fails to be signed into law this issue must be addressed in a special session	None

2. Correct Policies and Regulations Inhibiting Recovery

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Offer a tax credit to reduce tax liability to business for qualified expenses – marketing, hiring, PPE and cleaning supplies they didn't need prior to COVID19.	Tax Code	All business; LDR	Offset costs to business associated with unanticipated expenditures resulting from COVID-19		Reduction in tax revenue
Remove inventory tax and credit taxing and refund mechanism	Tax Code	Business; State and local gov't; LDR	Free up needed capital for businesses trying to remain operational during the COVID-19 economic crisis		?

Louisiana Economic Recovery Task Force Phase II Report

Group 4: Removing Obstacles to Incentivize Job Creation and Economic Growth

2. Correct Policies and Regulations Inhibiting Recovery (continued)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Extend tax filing deadlines and suspend tax audits on businesses for a duration of time that coincides with the declared disaster	LAC Title 61	All business; LDR; Local gov't	Relieve additional stress/burden, especially on small business owners while they are recovering.		?
Remove/suspend tax on manufacturing inputs/business utilities tax?	RS Title 47	Manufacturing; State gov't; LDR			Reduction in tax revenue

2. Correct Policies and Regulations Inhibiting Recovery (continued)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Request the State establish a small business COVID-19 recover grant program.		Small business; State gov't (LED)	Provide funding to small businesses impacted by COVID-19 crisis	SCR 65 (Sen. Cloud)	None
Develop a post COVID-19 Workforce Training Program, to be administered by LCTCS, using a portion of the \$1.8B in federal relief funding distributed to the state.		Employers; LCTCS; LWC; Louisiana workers	Re-employ La workers by training them to fill new workforce gaps resulting from COVID-19		

Louisiana Economic Recovery Task Force Phase II Report

Group 4: Removing Obstacles to Incentivize Job Creation and Economic Growth

3. Streamline Burdensome Licensing Requirements and Regulations for Creating New Businesses

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Empower the Secretary of State to waive, suspend, delay compliance with rules deemed impractical or overly burdensome.	R.S Title 9	All businesses; Secretary of State	Removes regulatory burdens on new businesses seeking to open during the COVID-19 economic recovery	SB 499 (Sen. Connick) never moved in Regular Session	Immaterial

4. Reduce Cost and Burden Associated with Occupational Licensing

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Require licensing boards to grant occupational and professional licenses when certain requirements are met	Title 37 (Professions and Occupations)	Professional and Occupational Licensing Boards, Employers and Resident Workforce	Bolsters the state's workforce by allowing for reciprocity for licenses and experience earned in another state.	HB 622 (Rep. Emerson) is dead in Regular Session	Zero

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Group 4: Removing Obstacles to Incentivize Job Creation and Economic Growth

5. Ways for Local Government to Promote Economic Recovery

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Ask local government entities to immediately suspend any performance requirements tied to the receipt/award of a business tax incentive or abatement.	Louisiana Administrative Code (Title 13)	Local Government; Businesses; LED/BCI	This suspension would give impacted economic development projects and respective companies the time to recover and reassess projects without fear of non-compliance/cancelation of incentive contracts.	Possible omnibus legislation addressing all tax incentive programs and applicable performance requirements	Zero
Request the state to promptly distribute federal COVID-19 relief funding intended for local government.		State and Local Gov't	Parish and municipalities around the state will be able to better determine and implement local business relief programs when this funding is allocated.	Legislation detailing plan for distribution of \$1.8B in relief funding received through the CARES Act.	Zero

Louisiana Economic Recovery Task Force Phase II Report Group 5: Encouraging Long-Term Economic Growth

Members

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Art Favre, Performance Contractors, Inc.
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Craig Spohn, Cyber Innovation Center
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Chair: Maura Donahue

Special Advisor: Camille Conaway

Introduction

The membership of the Encouraging Long-Term Economic Growth Work Group represents a diverse cross-section of the Louisiana business community including construction, oil and gas, technology and cybersecurity, retail, industrial contractors, and telecommunications. The Work Group has met four times prior to the release to this Phase II Report, and have identified the following as top priorities:

1. Pursue comprehensive tax reform.
2. Improve the legal and regulatory structure.
3. Reform long-standing governmental structures and processes.
4. Lay the foundation for a modern economy.

Louisiana Economic Recovery Task Force Phase II Report Group 5: Encouraging Long-Term Economic Growth

Recommendations

1. Comprehensive Tax Reform

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Reduce the severance tax rate by 50 percent from 12.5% of gross value to 6.25% (still above the national average of 5.2%).	Statutory	Onshore and nearshore E&P companies; natural gas producers; oil and gas workforce; state and local government	Support for struggling industry; more competitive business environment -> more jobs, royalties, taxes	HB 506 Devillier	~\$50m+ (note: severely depressed prices are already drastically reducing collections)
Establish centralized sales tax collection and auditing.	CA/statutory	Businesses statewide; Local tax collectors and entities	Immediate relief for burdensome process for businesses; more competitive and functional tax system; compliance with US Supreme Court for online collections -> tax revenue increases	*HB429 / HB 791 Magee *HB428 Echols	Initial administrative costs to the state; lower revenues associated with the collections process for local governments; increased revenue with the ability to collect online sales taxes

1. Comprehensive Tax Reform (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Replace the existing ITEP process with a more streamlined, simple framework.	CA/statutory	Industry statewide; State and local government	Stability --> additional industrial expansion and investment --> growth in construction and skilled jobs; more sales tax and property tax revenue	Numerous instruments filed in 2020 session	No direct investment or revenue reduction from state or local governments; delays potential tax collections until a future date

Louisiana Economic Recovery Task Force Phase II Report Group 5: Encouraging Long-Term Economic Growth

2. Legal and Regulatory Structure

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Streamline the permitting process for broadband to expand capacity and connectivity (short and long term)	Statutory / policy	Telecommunications companies; State (DOTD) and local government	Expedited broadband deployment	HB651 Deshotel HB666 Johnson	N/A
End the state's coastal lawsuits against the oil and gas industry.	Statutory / policy	Oil and gas industry and workforce	Removal of unnecessary burden on struggling operators; competitive/stable business environment	SB 359 Hensgens	Potential for direct investment; potential savings in legal fees and human resources

2. Legal and Regulatory Structure (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Enact comprehensive legal reform.	Statutory	Statewide business community and households	Competitive business environment; reduction in cost of auto insurance	HB9 Garofalo / SB 418 Talbot	N/A

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3. Governmental Reforms

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Reform legacy pension systems to both stabilize the cost to taxpayers and attract a modern workforce.	Statutory	New public employees, including teachers; taxpayers	Hybrid options for retirement that include a safety net but offer more mobility and affordability	TBD	~\$10m actuarial estimate for LASERS (SB14 of 2018)
Consider requesting a forbearance on debt payments for pension plans for state and local employees.	TBD	State and local governmental agencies	Temporary budget relief for state and local governments	TBD	TBD – possible savings

3. Governmental Reforms (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Consider the possibility of a 2.0 version of the Streamlining Government Commission.	Statutory / policy	Agencies, boards, and commissions in state government	Close examination of contracts and expenditures across state government	TBD	TBD

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4. The Modern Economy

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Pursue policies and incentives to move toward a more diverse economy that is less cyclical and more knowledge-based, including "smart incentives" such as the investment in higher education to support tech growth.	Statutory / policy	All Louisianans; companies in the knowledge-based economy	More and better jobs; more resilient economy	TBD	\$25m

4. The Modern Economy (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Pursue deliberate actions to build a more inclusive economy.	Statutory / policy	Small/minority businesses statewide; state and local government	Greater opportunities for prosperity	TBD	Increased sales tax and reinvestment by the local business community; more revenue in the economy
a) Require state-funded agencies and boards to adopt the existing small business purchasing policy and expand to a local first incentive program.	Statutory / policy	Office of State Procurement; quasi-governmental agencies; boards and commissions; local business owners	To increase the participation of small/local businesses in procurement opportunities	TBD - RS 38.2253, 2256	TBD

Louisiana Economic Recovery Task Force Phase II Report Group 5: Encouraging Long-Term Economic Growth

4. The Modern Economy (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
b) Expand the Small Business Program to include a purchasing program that encourages the use and purchase of goods/services from businesses domiciled in La.	Statutory / executive order	Office of State Procurement; quasi-governmental agencies; boards and commissions; local business owners	To increase the participation of small/local businesses in procurement opportunities	HB 772 Deshotel HB 774 Deshotel	TBD
c) Encourage the participation of small local, certified DBE/Hudson/veteran businesses on state-funded public infrastructure projects.	Statutory / executive order	Office of State Procurement; DOTD; local business owners	To increase the participation of small/local businesses in procurement opportunities	TBD - RS 38:2211, 39:1551 / BJ 2010-16	TBD

4. The Modern Economy (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
d) Partner with community banks for Letters of Intent or contract award for small businesses to obtain capital.	MOU	Office of State Procurement; local business owners; local banks	To increase the percentage of small and minority-owned businesses able to obtain access to operating capital after bid award or notice to proceed	N/A	TBD
e) Quick pay policy for small/minority business	Executive order	Office of State Procurement; local business owners	To ensure business operations can continue while providing concentrated services or goods/supplies ordered	N/A	TBD

Louisiana Economic Recovery Task Force Phase II Report Group 5: Encouraging Long-Term Economic Growth

4. The Modern Economy (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Invest in infrastructure, particularly large-scale projects and public-private partnerships.	Budgetary	Statewide business community and households; state and local government	Immediate job creation to boost employment; addresses a concern that hampers investment in La; high visibility and public support	Various instruments including HB845 by Rep. Dwight	Direct investment from the state through appropriations, bonds, and/or other debt instruments

4. The Modern Economy (cont.)

Proposal	Section of Law	Stakeholders	Impact	Potential Legislative Instruments	Fiscal Impact
Establish a coordinated effort to position Louisiana to help onshore critical industries from overseas – particularly pharma, tech, cyber, manufacturing, and other national security interests -- that may include a targeted "reshoring incentive" based on payroll brought back to Louisiana.	Statutory / policy	Manufacturing, tech, cyber, and pharma industries	More and better jobs; increased supply-chain security	TBD	TBD

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Conclusion

After conclusion of the 2020 Regular Session and start of the first 2020 Special Session, the Task Force is pleased the Legislature has already moved forward with many of the group's recommendations and looks forward to working with leadership to tackle other recommendations in the upcoming Special Session. With most businesses beginning to re-open and re-hire workers, new or updated programs and policies to accelerate re-hiring, incentivize investment and to provide financial and regulatory relief to small businesses will be critical to jump-starting the Louisiana economy back to life. The Task Force will continue to work with legislative leadership to help make this happen.

The Task Force's Phase III recommendations will be released this July and will include recommendations for policies that will be critical to spur long-term growth and make Louisiana more economically competitive with other states.

Louisiana Economic Recovery Task Force Phase II Report

LOUISIANA

ECONOMIC RECOVERY

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