

2020 Regular Session

HOUSE RESOLUTION NO. 57

BY REPRESENTATIVES JONES AND THOMPSON

A RESOLUTION

To urge and request Louisiana Economic Development to provide certain information relative to loans and grants distributed utilizing federal funding related to the Coronavirus Aid, Relief, and Economic Security Act, commonly known as the CARES Act, P.L. 116-136, and state funding related to the Louisiana Guaranty Program in response to the COVID-19 pandemic, to study the disparities in the lending standards and underwriting practices amongst applicants, and to identify and evaluate best practices and steps to achieve equality in lending practices.

WHEREAS, the COVID-19 pandemic has caused unprecedented economic disruption and an economic crisis for small businesses in our nation and in this state; and

WHEREAS, it is recognized that small businesses' needs are immediate and if there is not a timely response, this state risks losing a foundational element of its economy; and

WHEREAS, in response to the COVID-19 pandemic, small business programs were enacted as a part of the CARES Act including the Paycheck Protection Program (PPP), the Economic Injury Disaster Loan (EIDL), the Emergency Grants Program, and the Louisiana Guaranty Program, to provide relief to small business owners who are desperate for help during this unprecedented economic crisis; and

WHEREAS, Louisiana Economic Development regularly collects traceable metric data points that are used for the purpose of providing analytics that are pertinent to the legislature for policy-making decisions that affect the entire state; and

WHEREAS, Louisiana Economic Development has the resources and staff necessary to accurately and comprehensively track and develop data relative to the loans and grants distributed utilizing federal funding related to the CARES Act and state funding related to the Louisiana Guaranty Program, to study the disparities in the lending standards and underwriting practices amongst applicants, and to identify and evaluate best practices and steps to achieve equality in lending practices; and

WHEREAS, in providing the legislature with information on the number and amount of loans and grants applied for by and disbursed to small businesses utilizing federal funding related to the CARES Act and state funding related to the Louisiana Guaranty Program, the following information is pertinent:

(1) Number and amount of loans and grants disbursed to small businesses, including a breakout of loans and grants by demographics including ethnicity, gender, and business age, parish, industry, and loan size.

(2) Number and amount of loans and grants disbursed to non-profit and religious institutions, including a breakout of loans and grants by parish, industry, and loan size.

(3) Number and amount of loans and grants disbursed to veteran- and non-veteran-owned small businesses, including a breakout of loans and grants by parish, industry, and loan size.

(4) Number and amount of loans disbursed broken out by lending institution, including a breakout of loans by demographics including ethnicity, gender, and business age, non-profit or religious institution status, veteran or non-veteran status, parish, industry, and loan size.

THEREFORE, BE IT RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request Louisiana Economic Development to provide certain information relative to loans and grants distributed utilizing federal funding related to the Coronavirus Aid, Relief, and Economic Security Act or "CARES Act" and state funding related to the Louisiana Guaranty Program in response to the COVID-19 pandemic.

BE IT FURTHER RESOLVED that the House of Representatives of the Legislature of Louisiana does hereby urge and request Louisiana Economic Development study the disparities in the lending standards and underwriting practices amongst applicants, and identify and evaluate best practices and steps to achieve equality in lending practices.

BE IT FURTHER RESOLVED that a copy of this Resolution be transmitted to the secretary of Louisiana Economic Development.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES