

ACT No. 477

2022 Regular Session

HOUSE BILL NO. 795

BY REPRESENTATIVES PRESSLY, BACALA, BRYANT, BUTLER, WILFORD
CARTER, CORMIER, CREWS, DAVIS, DESHOTEL, DUBUISSON,
DUPLESSIS, FISHER, FREEMAN, GLOVER, GREEN, HILFERTY, HUGHES,
ILLG, JENKINS, TRAVIS JOHNSON, JORDAN, LAFLEUR, LARVADAIN,
LYONS, MARINO, MCFARLAND, NELSON, NEWELL, PIERRE, RISER,
SCHAMERHORN, SELDERS, STAGNI, THOMPSON, WHITE, AND WILLARD
AND SENATORS BARROW, CATHEY, CONNICK, FOIL, HEWITT, JACKSON,
MILLIGAN, FRED MILLS, ROBERT MILLS, PEACOCK, REESE, SMITH,
STINE, WHITE, AND WOMACK

1 AN ACT

2 To amend and reenact R.S. 51:2312(A)(1) and to enact R.S. 51:2401, relative to certain
3 small business grants; to provide for the authority of the Department of Economic
4 Development; to create the Small Business Innovation Recruitment Fund; to provide
5 for uses of monies in the fund; to provide for limitations on appropriations from the
6 fund; to provide for the administration of grants; to provide for eligibility of
7 applicants; and to provide for related matters.

8 Be it enacted by the Legislature of Louisiana:

9 Section 1. R.S. 51:2312(A)(1) is hereby amended and reenacted and R.S. 51:2401
10 is hereby enacted to read as follows:

11 §2312. Powers and authority; duties

12 A. The corporation shall serve as the single review board for all financial
13 assistance, loans, incentives or inducements, customized workforce training,
14 investment programs, and any related appropriations, grants, or joint ventures
15 administered by the Department of Economic Development, excluding those
16 financial incentive programs administered by the State Board of Commerce and

1 Industry. The corporation shall formulate and implement the policies for the
2 delivery of services to obtain the following effects:

3 (1) The support of innovative private sector research and development
4 activities by Louisiana businesses intended to generate commercial products,
5 processes, or services by providing ~~matching~~ funds to ~~those~~ Louisiana small
6 businesses that will apply for or have received federal Small Business ~~Innovative~~
7 Innovation Research (SBIR) ~~Phase I~~ or Small Business Technology Transfer (STTR)
8 grant funds.

9 * * *

10 §2401. Small Business Innovation Recruitment Fund; purpose; program
11 administration

12 A. There is hereby created in the state treasury, as a special fund, the "Small
13 Business Innovation Recruitment Fund", hereinafter referred to as the "fund".

14 B.(1) The monies in the fund shall be used as an economic development
15 incentive to recruit out-of-state small businesses that have received Phase II Small
16 Business Innovation Research, hereinafter referred to as "SBIR", or Phase II Small
17 Business Technology Transfer, hereinafter referred to as "STTR", federal grants to
18 move to Louisiana.

19 (2) In order for a business to be considered a "small business" for purposes
20 of this Section, the business shall qualify as small according to the United States
21 Small Business Administration's industry size standards.

22 C. After compliance with the requirements of Article VII, Section 9(B) of
23 the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
24 all monies received for the purpose of the fund shall be deposited into the fund.

25 D. Monies in the fund shall be invested in the same manner as monies in the
26 general fund. Interest earned on investment of monies in the fund shall be credited
27 to the fund. Unexpended and unencumbered monies in the fund at the end of the
28 fiscal year shall remain in the fund.

1 E. Subject to appropriation and the provisions of this Section, monies in the
2 fund shall be used by the Department of Economic Development, hereinafter referred
3 to in this Section as the "department", for awarding grants to selected applicants.
4 The department shall establish criteria for grant eligibility, provide for an application
5 process, and select eligible business applicants to receive monies from the fund,
6 based upon nominations of eligible small businesses recommended by the Regional
7 Economic Alliance of Louisiana, which represents sixty-four parishes of the state.

8 F.(1) Up to five hundred thousand dollars shall be annually disbursed from
9 the fund to eligible applicants in the form of grants. Any grant received pursuant to
10 this Section shall not exceed one hundred thousand dollars per applicant. The grant
11 awards provided pursuant to this Section shall be divided into three equal amounts
12 and disbursed to the selected applicants over a period of three consecutive years.

13 (2) In fiscal year 2025-2026, in addition to any monies disbursed from the
14 fund pursuant to Paragraph (1) of this Subsection, an amount of up to one hundred
15 and five thousand dollars of fund monies shall be allocated to the department for
16 administrative costs.

17 G. An applicant that meets all of the following criteria shall be eligible for
18 a grant provided for in this Section:

19 (1) The applicant shall have received Phase II SBIR or STTR grant funding
20 within the two years immediately preceding submission of the application.

21 (2) The applicant shall have generated sales and revenue and shall provide
22 documentation proving such.

23 (3) The applicant shall have produced commercial products or conducted
24 commercial services and shall provide documentation proving such.

25 H. Within six months of approval by the department, an applicant selected
26 to receive grant monies shall provide documentation that the applicant business has
27 relocated to Louisiana. If the selected applicant fails to relocate or provide
28 documentation of such, the grant shall be forfeited, and the money shall be disbursed
29 to another applicant.

1 Section 2. This Act shall become effective upon signature by the governor or, if not
2 signed by the governor, upon expiration of the time for bills to become law without signature
3 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
4 vetoed by the governor and subsequently approved by the legislature, this Act shall become
5 effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____