
DIGEST

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HB 754 Engrossed

2018 Regular Session

Foil

Abstract: Requires the maximum gross receipts thresholds for small businesses applying for certification as small entrepreneurship or veteran-owned small entrepreneurship be adjusted annually.

Present law requires the secretary of the Dept. of Economic Development to certify a business as a veteran and service-connected disabled veteran-owned small entrepreneurship if the business meets all of the following criteria:

- (1) Independently owned and operated.
- (2) Not dominant in its field of operations, to be determined by consideration of the business' number of employees, volume of business, financial resources, competitive status, and ownership or control of materials, processes, patents, license agreements, facilities, and sales territory.
- (3) Is owned by and has officers who are citizens or legal residents of the U.S., all of whom are domiciled in La., and who maintain the principal business office in La.
- (4) Together with any of its affiliate entities, has fewer than 50 full-time employees with average annual gross receipts not exceeding a maximum of \$10,000,000 per year for construction operations and \$5,000,000 per year for nonconstruction operations, for each of the previous three tax years.

Proposed law requires the Dept. of Economic Development to annually adjust the maximum amounts in present law based on the Consumer Price Index for All Urban Consumers (CPI-U) for the South.

Present law requires the secretary of the Dept. of Economic Development to certify businesses as small entrepreneurship if the business meets all of the following criteria:

- (1) Independently owned and operated.
- (2) Not dominant in its field of operations, to be determined by consideration of the business' number of employees, volume of business, financial resources, competitive status, and ownership or control of materials, processes, patents, license agreements, facilities, and sales territory.

- (3) Is owned by and has officers who are citizens or legal residents of the U.S., all of whom are domiciled in La., and who maintain the principal business office in La.
- (4) Together with any of its affiliate entities, has fewer than 50 full-time employees with average annual gross receipts not exceeding a maximum of \$10,000,000 per year for construction operations and \$5,000,000 per year for nonconstruction operations, for each of the previous three tax years.

Proposed law requires the Dept. of Economic Development to annually adjust the maximum amounts in present law based on the Consumer Price Index for All Urban Consumers (CPI-U) for the South.

Proposed law otherwise retains present law.

Effective upon signature of governor or lapse of time for gubernatorial action.

(Amends R.S. 39:2006(A)(4) and 2176(A)(4))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Add the Hudson Initiative to proposed law.
2. Require maximum amount limits, relative to small entrepreneurship, be adjusted annually based on Consumer Price Index.
3. Replace previously deleted language providing maximum amount limits relative to veteran-owned entrepreneurship.
4. Require maximum amount limits, relative to veteran-owned entrepreneurship, be adjusted annually based on Consumer Price Index.