

2018 Regular Session

HOUSE BILL NO. 591

BY REPRESENTATIVE LEGER

ECONOMIC DEVELOPMENT: Creates the Louisiana Small Business and Entrepreneurship Council

1 AN ACT

2 To enact Chapter 39-A of Title 51 of the Louisiana Revised Statutes of 1950, to be
3 comprised of R.S. 51:2375 and 2376, relative to the creation of the Louisiana Small
4 Business and Entrepreneurship Council; to provide for the purpose of the council;
5 to provide for the composition; to provide for the members on the board of directors;
6 to provide for the duties of the board of directors; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. Chapter 39-A of Title 51 of the Louisiana Revised Statutes of 1950,
9 comprised of R.S. 51:2375 and 2376, is hereby enacted to read as follows:

10 CHAPTER 39-A. LOUISIANA SMALL BUSINESS AND
11 ENTREPRENEURSHIP COUNCIL

12 §2375. Louisiana Small Business and Entrepreneurship Council; creation; board of
13 directors

14 A.(1) There is hereby created a body politic to be known as the Louisiana
15 Small Business and Entrepreneurship Council, hereinafter referred to in this Chapter
16 as the "council". The council is hereby constituted a public authority and the
17 exercise by the council of the powers conferred by this Chapter shall be deemed to
18 be performance of an essential public function. The board of directors of the council
19 shall be composed of sixteen members. The board shall consist of the secretary of
20 the Department of Economic Development or a designee and fifteen members who

1 are appointed by the governor, subject to Senate confirmation, none of whom shall
2 be a public official except for the secretary of the Department of Economic
3 Development or a designee and the secretary of state or a designee.

4 (2) The Louisiana Small Business and Entrepreneurship Council will identify
5 issues pertinent to the operations of small businesses and advise the department and
6 the governor on issues affecting the competitiveness of small businesses in
7 Louisiana. The council will advise the department on strategies to cultivate small
8 business competitiveness and strengthen entrepreneurship throughout the state. The
9 council in conjunction with the department will ensure coordination of small
10 business support between federal, state, and local agencies so as to decrease
11 duplicative regulations, rules, and requirements. The council will advise the
12 department and the governor on policies and programs that make small businesses
13 more competitive.

14 (3) The members of the board of directors shall consist of all of the
15 following:

16 (a) The secretary of the Department of Economic Development or a
17 designee.

18 (b) The Louisiana secretary of state or a designee.

19 (c) One representative submitted by the Louisiana Alliance for Economic
20 Inclusion or its successor organization.

21 (d) One representative submitted by the Louisiana Small Business
22 Development Center.

23 (e) One representative submitted by the Louisiana Business Incubation
24 Association.

25 (f) One representative submitted by the Community Bankers Association.

26 (g) One member representing the Louisiana venture capital industry or the
27 Louisiana angel investor community.

28 (h) One member who is appointed from a list of three private sector
29 individuals submitted by the National Federation of Independent Business.

1 (i) One member who is appointed from a list of three private sector
2 individuals submitted by the Louisiana Association of Business and Industry.

3 (j) One minority small business owner who is appointed by the governor
4 from a list of three private sector individuals submitted by Louisiana-based
5 organizations representing minority business interests.

6 (k) One female small business owner who is appointed by the governor from
7 a list of three private sector individuals submitted by Louisiana-based organizations
8 representing women's business interests.

9 (l) Five at-large members representing small business interests appointed by
10 the governor.

11 B. The secretary of the Department of Economic Development or a designee
12 shall serve a term coterminous with his term in office. The remaining members shall
13 serve four-year terms, except that of the initial appointments, three shall be for
14 two-year terms, three shall be for three-year terms, and two shall be for four-year
15 terms. Vacancies shall be filled in the manner of original appointment.

16 C. The domicile of the council is Baton Rouge, Louisiana.

17 D. The council is governed and its powers exercised by the members of the
18 council. The secretary of the Department of Economic Development shall serve as
19 president of the council, and he or his designee shall be a member of the board of
20 directors.

21 E. A majority of the appointed members of the board, including the
22 secretary, shall constitute a quorum.

23 F. Members of the board shall serve without compensation, but each member
24 is entitled to reimbursement of actual and necessary expenses incurred in the
25 performance of official duties in accordance with state travel regulations.

26 G. The board shall annually elect a chairman and such other officers as may
27 be deemed necessary.

1 §2376. Duties and objectives; reporting

2 The duties and objectives of the members of the council shall include but are
3 not limited to the following:

4 (1) Continual research and development of recommendations with regard to
5 regulatory and licensing issues.

6 (2) Continual research and development of recommendations with regard to
7 access to capital strategies which directly impact the rate of entrepreneurship and
8 small business growth.

9 (3) Development of a report on the state of small business in Louisiana and
10 a report on the department's small business programs, including but not limited to the
11 following:

12 (a) The number of small businesses operating in Louisiana and a geographic
13 breakdown of the number of small businesses by economic development region.

14 (b) Demographic information on small business ownership in Louisiana.

15 (c) A full accounting of the small business resources available in Louisiana
16 in the categories of technical assistance, networking, access to capital, incentives,
17 and state government procurement opportunities.

18 (d) A catalog of all services provided by the department and its small
19 business services partners, and for each program the number of businesses served,
20 relevant performance metrics, and recommendations for improvement, if any.

21 (e) The report shall be developed annually and shall be provided to the
22 legislature at least sixty days prior to the start of the regular legislative session.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 591 Reengrossed

2018 Regular Session

Leger

Abstract: Creates the La. Small Business and Entrepreneurship Council.

Proposed law establishes the La. Small Business and Entrepreneurship Council and provides for the membership of board of directors.

Proposed law establishes the composition of the board.

Proposed law requires the council to have a board of directors consisting of 16 members as follows:

- (1) The secretary of the Department of Economic Development or a designee.
- (2) The Louisiana secretary of state or a designee.
- (3) One representative submitted by the Louisiana Alliance for Economic Inclusion or its successor organization.
- (4) One representative submitted by the Louisiana Small Business Development Center.
- (5) One representative submitted by the Louisiana Business Incubation Association.
- (6) One representative submitted by the Community Bankers Association.
- (7) One member representing the Louisiana venture capital industry or the Louisiana angel investor community.
- (8) One member who is appointed from a list of three private sector individuals submitted by the National Federation of Independent Business.
- (9) One member who is appointed from a list of three private sector individuals submitted by the Louisiana Association of Business and Industry.
- (10) One minority small business owner who is appointed by the governor from a list of three private sector individuals submitted by Louisiana-based organizations representing minority business interests.
- (11) One female small business owner who is appointed by the governor from a list of three private sector individuals submitted by Louisiana-based organizations representing women's business interests.
- (12) Five at-large members representing small business interests appointed by the governor.

Proposed law provides for the terms of office and manner for filling vacancies of the board.

Proposed law provides for the duties and responsibilities of the council.

(Adds R.S. 51:2375 and 2376)

Summary of Amendments Adopted by House

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

1. Change the requirement that the board of directors include a representative submitted by the Louisiana Economic Alliance to a representative submitted by the Louisiana Alliance for Economic Inclusion.
2. Remove the requirement that a board member be appointed from a list of three private sector individuals submitted by the Community Bankers Association, and provide instead that one representative be submitted by that association.

3. Require that one minority small business owner, who is appointed by the governor from a list of three private sector individuals submitted by Louisiana based organizations representing minority business interests, be appointed to the board of directors.
4. Require that one female small business owner, who is appointed by the governor from a list of three private sector individuals submitted by Louisiana-based organizations representing women's business interests, be appointed to the board of directors.
5. Correct reference to the secretary of the Department of Economic Development as "president of the corporation" to "president of the council".
6. Provide technical changes for organization and readability.

The House Floor Amendments to the engrossed bill:

1. Require incentives and state procurement opportunities to be included in the full accounting of small business resources available in Louisiana.