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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Jerry J. Guillot.

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DIGEST

SB 208 Original

2019 Regular Session

Riser

Proposed law enacts the Small Business Protection Act as successor to the Regulatory Flexibility Act.

Proposed law revises the procedure for the adoption of rules by agencies pursuant to the APA as follows:

- (1) Requires notice of proposed rules, notice of agency hearings, summary report, and annual report of rules be submitted to the commercial division of the Department of State in addition to present law.
- (2) Provides that no rule adopted on or after October 1, 2019, shall be effective, nor may it be enforced, unless it has been properly filed with the commercial division of the Department of State.
- (3) Provides that a copy of the La. Administrative Code be made available upon request to the commercial division of the Department of State free of charge.

Proposed law provides that in the developing an economic impact statement, when practical, agencies should utilize an economist with a college or university in this state.

Present law provides that prior to the adoption of any proposed rule by an agency which according to the economic impact statement required by R.S. 49:965.5 and the results of the regulatory flexibility analysis required by R.S. 49:965.6 would have an adverse impact on small businesses, the agency shall notify the Department of Economic Development of its intent to adopt the proposed rule. Proposed law requires notification to the commercial division of the Department of State rather than the Department of Economic Development.

Present law requires that the Department of Economic Development send notification of the intent of an agency to adopt, amend, or repeal any rule which would affect small businesses as indicated by the economic impact statement or regulatory flexibility analysis required by this Act to each person who has made a timely request of the department for such notice. Provides that the notification shall be sent at the earliest possible date, and in no case later than 10 days after the date an agency notifies the department of such a proposed rule. Proposed law requires notification by the commercial division of the Department of State rather than the Department of Economic Development.

Proposed law provides that the secretary of state shall designate a small business advocate from the existing staff of the commercial division of the Department of State to implement and administer the

Small Business Protection Act. Provides that the small business advocate shall coordinate the implementation and maintenance on the website of the Department of State the La. Administrative Code and rules proposed pursuant to the APA. Authorizes the department may enter into an agreement with the office of state register to arrange for the receipt of such information on an ongoing basis.

Proposed law provides that notwithstanding any law to the contrary, no hearing pursuant to R.S. 49:953(A)(2) shall be held earlier than 60 days after notice is received by the commercial division of the Department of State.

Present law requires the Louisiana Small Business and Entrepreneurship Council to perform continual research and development of recommendations with regard to regulatory and licensing issues. Proposed law retains present law and requires inclusion rules impacting small business adopted pursuant to the APA during the year covered by the report required in present law.

Present law requires that the council develop an annual report on the state of small business in Louisiana and a report on the Department of Economic Development's small business programs, including but not limited to the following:

- (1) The number of small businesses operating in Louisiana and a geographic breakdown of the number of small businesses by economic development region.
- (2) Demographic information on small business ownership in Louisiana.
- (3) A full accounting of the small business resources available in Louisiana in the categories of technical assistance, networking, access to capital, incentives, and state government procurement opportunities.
- (4) A catalog of all services provided by the department and its small business services partners, and for each program the number of businesses served, relevant performance metrics, and recommendations for improvement, if any.

Requires that the report be provided to the legislature at least 60 days prior to the start of the regular legislative session.

Proposed law requires that the report also contain a catalog of rules impacting small business adopted pursuant to the APA during the year covered by the report. Otherwise retain present law.

Effective July 1, 2019.

(Amends R.S. 49:953(A)(1)(b)(i), (B)(1)(a), (C)(2)(a), and (F)(3)(b), 954(A), 954.1(D), 965.2, 965.3(C), 965.5, 965.6(A)(intro para), and (B), 965.7, 965.8, and 968(B), (H)(2), and (K)(1) and R.S. 51:2376(1) and (3)(e); adds R.S. 49:965.9 and 965.10 and R.S. 51:2376(3)(f))