
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 795 Original

2022 Regular Session

Pressly

Abstract: Creates the Small Business Innovation Recruitment Fund for the purpose of recruiting certain businesses to relocate to La.

Present law provides for the La. Economic Development Corporation (corporation) within the Dept. of Economic Development (department) and provides for the powers and authority of the corporation.

Present law provides that the corporation shall serve as the review board for certain financial assistance programs for La. small businesses. Further provides that the corporation shall provide support for certain activities by La. businesses to generate commercial products or services by providing matching funds to businesses that received federal Small Business Innovative Research Phase I grant funds.

Proposed law changes present law and provides that the corporation shall provide support for activities by La. businesses to generate commercial products or services by providing funds to businesses that applied for or received federal Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) grant funds.

Proposed law creates the "Small Business Innovation Fund"(fund) as a special fund in the state treasury. Further provides that monies in the fund shall be used to grant funding to provide financial resources to certain La. businesses in pursuit of SBIR or STTR federal research grants.

Proposed law requires all monies within the fund to comply with Article VII, Section 9(B) of the Constitution of Louisiana relative to the Bond Security and Redemption Fund.

Proposed law requires monies in the fund to be invested in the same manner as monies in the general fund. Further requires interest earned on investment of monies to be credited to the fund. Unexpended and unencumbered monies in the fund at the end of the fiscal year shall remain in the fund.

Proposed law provides that the corporation in conjunction with the Louisiana Technology Transfer Office (LTTO), shall administer the fund and provide for the disbursement of monies in the fund to eligible applicants in the form of grants. Further provides that the LTTO shall establish criteria for grant eligibility, provide for an application process, and select eligible applicants.

Proposed law provides that \$500,000 shall be disbursed from the fund to selected eligible applicants. Any grant received pursuant to Proposed law shall not exceed \$100,000 per applicant.

Proposed law provides that the money shall be disbursed in equal amounts to the selected applicants over a period of 3 consecutive years.

Proposed law provides that only applicants that meet all of the following criteria shall be eligible for the grant:

- (1) The applicant shall have received Phase II SIBR or STTR grant funding.
- (2) The applicant shall have generated revenue and must provide documentation proving such.
- (3) The applicant shall have produced commercial products or conducted commercial services.

Proposed law provides that within six months of grant approval by LTTO, the applicant shall provide documentation of relocation. Further provides that if an applicant fails to provide such information the monies shall go to another eligible applicant.

(Amends R.S. 51:2312(A)(1); Adds R.S. 51:2401)