
DIGEST

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HB 796 Original

2022 Regular Session

Willard

Abstract: Creates the Small Business Innovation Fund for the purpose of providing financial assistance to certain businesses applying for certain federal grants.

Present law provides for the La. Economic Development Corporation (corporation) within the Department 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 fund. Further provides that monies in the fund shall be used to provide financial assistance to certain La. businesses applying for SBIR or STTR federal grants.

Proposed law requires all monies within the fund to comply with Article VII, Section 9(B) of the Constitution of La. 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 provides that interest earned on investment of monies 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 monies in the fund and provide for disbursements to eligible applicants in the form of grants. Further requires the LTTO to establish criteria for grant eligibility, provide for an application process, and select eligible applicants to receive the grants.

Proposed law provides \$150,000 shall be disbursed from the fund as follows:

- (1) \$60,000 shall be disbursed to eligible applicants to assist in the completion of Phase 1 applications for SBIR or STTR federal grants. These grants shall not exceed \$5,000 per business.
- (2) \$60,000 shall be disbursed to eligible applicants to assist in the completion of Phase 2 applications for SBIR or STTR federal grants. These grants shall not exceed \$10,000 dollars per business.
- (3) \$30,000 shall be appropriated to the LTTO for the purpose of outreach programs and program-related promotions.

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