ENROLLED

2022 Regular Session

HOUSE BILL NO. 795

BY REPRESENTATIVES PRESSLY, BACALA, BRYANT, BUTLER, WILFORD CARTER, CORMIER, CREWS, DAVIS, DESHOTEL, DUBUISSON, DUPLESSIS, FISHER, FREEMAN, GLOVER, GREEN, HILFERTY, HUGHES, ILLG, JENKINS, TRAVIS JOHNSON, JORDAN, LAFLEUR, LARVADAINE, LYONS, MARINO, MCFARLAND, NELSON, NEWELL, PIERRE, RISER, SCHAMERHORN, SELDERS, STAGNI, THOMPSON, WHITE, AND WILLARD AND SENATORS BARROW, CATHEY, CONNICK, FOIL, HEWITT, JACKSON, MILLIGAN, FRED MILLS, ROBERT MILLS, PEACOCK, REESE, SMITH, STINE, WHITE, AND WOMACK

AN ACT

To amend and reenact R.S. 51:2312(A)(1) and to enact R.S. 51:2401, relative to certain small business grants; to provide for the authority of the Department of Economic Development; to create the Small Business Innovation Recruitment Fund; to provide for uses of monies in the fund; to provide for limitations on appropriations from the fund; to provide for the administration of grants; to provide for eligibility of applicants; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 51:2312(A)(1) is hereby amended and reenacted and R.S. 51:2401 is hereby enacted to read as follows:

§2312. Powers and authority; duties

A. The corporation shall serve as the single review board for all financial assistance, loans, incentives or inducements, customized workforce training, investment programs, and any related appropriations, grants, or joint ventures administered by the Department of Economic Development, excluding those financial incentive programs administered by the State Board of Commerce and
Industry. The corporation shall formulate and implement the policies for the
delivery of services to obtain the following effects:

(1) The support of innovative private sector research and development
activities by Louisiana businesses intended to generate commercial products,
processes, or services by providing matching funds to those Louisiana small
businesses that will apply for or have received federal Small Business Innovative
Innovation Research (SBIR) Phase I or Small Business Technology Transfer (STTR)
grant funds.

§2401. Small Business Innovation Recruitment Fund; purpose; program
administration

A. There is hereby created in the state treasury, as a special fund, the "Small
Business Innovation Recruitment Fund", hereinafter referred to as the "fund".

B.(1) The monies in the fund shall be used as an economic development
incentive to recruit out-of-state small businesses that have received Phase II Small
Business Innovation Research, hereinafter referred to as "SBIR", or Phase II Small
Business Technology Transfer, hereinafter referred to as "STTR", federal grants to
move to Louisiana.

(2) In order for a business to be considered a "small business" for purposes
of this Section, the business shall qualify as small according to the United States
Small Business Administration's industry size standards.

C. After compliance with the requirements of Article VII, Section 9(B) of
the Constitution of Louisiana relative to the Bond Security and Redemption Fund,
all monies received for the purpose of the fund shall be deposited into the fund.

D. Monies in the fund shall be invested in the same manner as monies in the
general fund. Interest earned on investment of monies in the fund shall be credited
to the fund. Unexpended and unencumbered monies in the fund at the end of the
fiscal year shall remain in the fund.
E. Subject to appropriation and the provisions of this Section, monies in the
fund shall be used by the Department of Economic Development, hereinafter referred
to in this Section as the "department", for awarding grants to selected applicants.
The department shall establish criteria for grant eligibility, provide for an application
process, and select eligible business applicants to receive monies from the fund,
based upon nominations of eligible small businesses recommended by the Regional
Economic Alliance of Louisiana, which represents sixty-four parishes of the state.

F.(1) Up to five hundred thousand dollars shall be annually disbursed from
the fund to eligible applicants in the form of grants. Any grant received pursuant to
this Section shall not exceed one hundred thousand dollars per applicant. The grant
awards provided pursuant to this Section shall be divided into three equal amounts
and disbursed to the selected applicants over a period of three consecutive years.

(2) In fiscal year 2025-2026, in addition to any monies disbursed from the
fund pursuant to Paragraph (1) of this Subsection, an amount of up to one hundred
and five thousand dollars of fund monies shall be allocated to the department for
administrative costs.

G. An applicant that meets all of the following criteria shall be eligible for
a grant provided for in this Section:

(1) The applicant shall have received Phase II SBIR or STTR grant funding
within the two years immediately preceding submission of the application.

(2) The applicant shall have generated sales and revenue and shall provide
documentation proving such.

(3) The applicant shall have produced commercial products or conducted
commercial services and shall provide documentation proving such.

H. Within six months of approval by the department, an applicant selected
to receive grant monies shall provide documentation that the applicant business has
relocated to Louisiana. If the selected applicant fails to relocate or provide
documentation of such, the grant shall be forfeited, and the money shall be disbursed
to another applicant.
Section 2. This Act shall become effective upon signature by the governor or, if not
signed by the governor, upon expiration of the time for bills to become law without signature
by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
vetoed by the governor and subsequently approved by the legislature, this Act shall become
effective on the day following such approval.

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: __________________________