

**ACT No. 476**

2022 Regular Session

HOUSE BILL NO. 786

BY REPRESENTATIVES WILLARD, ADAMS, BACALA, CARRIER, DAVIS, DUBUISSON, DUPLESSIS, FREEMAN, HILFERTY, ILLG, JORDAN, KERNER, LYONS, MARCELLE, NELSON, NEWELL, PRESSLY, THOMAS, THOMPSON, BOYD, BUTLER, WILFORD CARTER, CORMIER, DESHOTEL, EDMONDS, FISHER, GAINES, GLOVER, GOUDEAU, GREEN, HUGHES, JEFFERSON, JENKINS, TRAVIS JOHNSON, LAFLEUR, LANDRY, LARVADAIN, MCFARLAND, DUSTIN MILLER, PIERRE, SCHAMERHORN, SELDERS, STAGNI, AND WHITE

1 AN ACT

2 To amend and reenact R.S. 51:2312(A)(1) and to enact R.S. 51:2401, relative to certain  
3 small business grants; to provide for the authority of the Department of Economic  
4 Development; to create the Small Business Innovation Retention Fund; to provide  
5 for uses of monies in the fund; to provide for eligibility of applicants; and to provide  
6 for related matters.

7 Be it enacted by the Legislature of Louisiana:

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

10 §2312. Powers and authority; duties

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

18 (1) The support of innovative private sector research and development  
19 activities by Louisiana businesses intended to generate commercial products,

1 processes, or services by providing ~~matching~~ funds to ~~those~~ Louisiana small  
 2 businesses that will apply for or have received federal Small Business ~~Innovative~~  
 3 Innovation Research (SBIR) Phase I or Small Business Technology Transfer (STTR)  
 4 grant funds, for such federal applications submitted or received after January 1,  
 5 2023.

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7 §2401. Small Business Innovation Retention Fund; purpose; program administration

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

10 B. The monies in the fund shall be used to provide financial assistance to  
 11 certain Louisiana businesses that have received certain Small Business Innovation  
 12 Research, hereinafter referred to as "SBIR", or Small Business Technology Transfer,  
 13 hereinafter referred to as "STTR", federal grants.

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

17 D. Monies in the fund shall be invested in the same manner as monies in the  
 18 general fund. Interest earned on investment of monies in the fund shall be credited  
 19 to the fund. Unexpended and unencumbered monies in the fund at the end of the  
 20 fiscal year shall remain in the fund.

21 E. Subject to appropriation and the provisions of this Section, monies in the  
 22 fund shall be used by the Department of Economic Development, hereinafter referred  
 23 to in this Section as the "department", for awarding grants to selected applicants. The  
 24 department shall establish criteria for grant eligibility, provide for an application  
 25 process, and select eligible Louisiana business applicants to receive monies from the  
 26 fund.

27 F. Up to one million one hundred five thousand dollars shall be annually  
 28 disbursed from the fund as follows:

29 (1) Up to five hundred thousand dollars shall be allocated for Phase I SBIR  
 30 or STTR federal grant recipients. Each selected applicant shall receive an amount

1           equal to twenty-five percent of the Phase I SBIR or STTR federal grant the applicant  
2           has received, not to exceed fifty thousand dollars per applicant.

3           (2) Up to five hundred thousand dollars shall be allocated for Phase II SBIR  
4           or STTR federal recipients. Each selected applicant shall receive an amount equal  
5           to twenty percent of the Phase II SBIR or STTR federal grant the applicant has  
6           received, not to exceed one hundred thousand dollars per applicant.

7           (3) Up to one hundred five thousand dollars per year shall be allocated for  
8           the department for as long as the department administers grants from the fund.

9           (4) Each grant awarded pursuant to this Section shall be divided into two  
10          equal amounts and shall be disbursed to the selected applicant over a period of two  
11          consecutive years.

12          Section 2. This Act shall become effective upon signature by the governor or, if not  
13          signed by the governor, upon expiration of the time for bills to become law without signature  
14          by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
15          vetoed by the governor and subsequently approved by the legislature, this Act shall become  
16          effective on the day following such approval.

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

\_\_\_\_\_  
PRESIDENT OF THE SENATE

\_\_\_\_\_  
GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_