

NOTICE OF INTENT
Office of the Governor
Office of Financial Institutions

Christine O. Kirkland
Deputy Commissioner

Business and Industrial Development Corporations
(LAC 10:XV.111)

FISCAL AND ECONOMIC IMPACT STATEMENT
FOR ADMINISTRATIVE RULES
RULE TITLE: Business and Industrial
Development Corporations

Under the authority of and in accordance with the Louisiana Administrative Procedure Act, R.S. 49:950 et seq., and R.S. 51:2389, the commissioner of the Office of Financial Institutions hereby gives notice of intent to adopt the following changes to more closely align its small business rules with governing federal policy.

Title 10

FINANCIAL INSTITUTIONS, CONSUMER CREDIT,
INVESTMENT SECURITIES, AND UCC

Part XV. Other Regulated Entities

Chapter 1. Business and Industrial Development Corporations

§111. Small Business Administration

A. If an applicant desires to participate in a program of the Small Business Administration, ("SBA"), or the commissioner determines that an application indicates that an applicant's participation in such program will comprise a significant portion of the applicant's business plan, the commissioner may grant conditional licensure to the applicant as a BIDCO subject to conditions determined by the commissioner, pending the submission by the applicant of evidence, deemed sufficient by the commissioner, of approval granted by the SBA, within 90 days of the issuance of the commissioner's conditional licensure.

B. ...

C. If the commissioner determines that sufficient evidence of SBA approval has not been provided to him within the time frame described in subsection A. hereinabove, the commissioner's conditional licensure shall be void, and the applicant shall have no right to any judicial, administrative, or other relief. The applicant may request new licensure subject to conditions pursuant to subsection A. at least 10 business days prior to the expiration of an existing conditional license without filing a new application pursuant to this chapter.

AUTHORITY NOTE: Promulgated in accordance with R.S. 49:950 et seq., and R.S. 51:2389.

HISTORICAL NOTE: Promulgated by the Office of Financial Institutions LR 18:26 (January 1992), amended LR 44:

Family Impact Statement

This Rule has no known impact on family formation, stability, and autonomy as described in R.S. 49:972.

Poverty Impact Statement

This Rule has no known impact on poverty as described in R.S. 49:973.

Small Business Analysis

This Rule has no known impact on small business as described in R.S. 49:965.5.

Provider Impact Statement

This Rule has no known impact on providers as described in HCR 170 of 2014.

Public Comments

All interested persons are invited to submit written comments regarding this proposed Rule no later than 5 p.m. on April 9, 2018, to Susan R. Rouprich, General Counsel, to 8660 United Plaza, Second Floor, Baton Rouge, LA 70809.

I. ESTIMATED IMPLEMENTATION COSTS (SAVINGS) TO STATE OR LOCAL GOVERNMENT UNITS (Summary)

There are no anticipated costs or savings to state or local governmental units as a result of the proposed rule revision. The proposed revision enhances the consistency between the process of applying for a Business and Industrial Development Corporation license and federal policies governing small business lending programs.

II. ESTIMATED EFFECT ON REVENUE COLLECTIONS OF STATE OR LOCAL GOVERNMENTAL UNITS (Summary)

There is no anticipated effect on revenue collections for the state or any local governmental units as a result of the proposed rule revision.

III. ESTIMATED COSTS AND/OR ECONOMIC BENEFITS TO DIRECTLY AFFECTED PERSONS OR NONGOVERNMENTAL GROUPS (Summary)

There are no anticipated costs or material economic benefits to directly affected persons or non-governmental groups. Currently applicants for Business and Industrial Development Corporation licenses must provide evidence of approval to participate in a program of the Small Business Administration prior to issuance of a license. The proposed rule change will allow applicants to receive a conditional license and to provide evidence of SBA program approval within 90 days.

IV. ESTIMATED EFFECT ON COMPETITION AND EMPLOYMENT (Summary)

The proposed rule revision will have no effect on competition and employment.

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