

January 7, 2014

Small Business Loan and Guaranty Program (SBL & GP) and State Small Business Credit Initiative (SSBCI) Program – Summary Report

Pursuant to LA. R.S. 49:968(D)(1)(b), the Department of Economic Development, the Office of the Secretary, the Office of Business Development, and the Louisiana Economic Development Corporation, hereby announce their plan to proceed with rule-making by finalizing the November 20, 2013, Notice of Intent that was promulgated on Page 3118 of the *Louisiana Register*.

The Department of Economic Development, Office of the Secretary, Office of Business Development, and Louisiana Economic Development Corporation, have found a need to amend and upgrade the rules for the Small Business Loan and Guaranty Program (SBL & GP) and the State Small Business Credit Initiative (SSBCI) Program, a Federal program utilizing Federal funds, both of which are existing programs, and particularly Section 109.F.1, and Section 309.E.1, including increases in the term periods of guaranties for various types of loans, including Revolving Lines of Credit, equipment term loans, and real estate term loans. These programs promote economic development in our state, and these updating amendments to the rules of these existing programs are being adopted in response to the business climate of the state, suggestions and recommendations of various business leaders and lending institutions in the state desiring to utilize the loan guaranty programs of the state in connection with their small business loans. The amendments to these rules will enhance and expand economic development in the state by stimulating the flow of capital and other financial assistance for the sound financing of the development, expansion, and retention of small business concerns in Louisiana; will provide higher levels of employment, income growth, and expanded economic opportunities in all areas of our State; and will further help secure the creation or retention of jobs created by businesses in Louisiana. Without the program upgrades contained in these amendments the state may suffer the loss of business investment and economic development projects creating economic growth in Louisiana and creating or retaining jobs that would improve the standard of living and enrich the quality of life for citizens of this State.

Although the Department received no public comments nor any requests for any public hearing regarding these amendments to the rules, the Department did conduct two public hearings, the first one on December 23, 2013, and the second one on December 27, 2013, pursuant to LA. R.S. 49:953(A)(2); but no one other than Department representatives were present, and no public comments were received.

The Department has made no changes to the proposed amendments to the rules. The full text of the proposed amendments to the rules is attached.

Subject to legislative oversight by either the House or Senate Committee on Commerce, the Department intends to submit the amendments to these rules to the Office of the State Registrar for publication.

Please contact me, the undersigned, at (225) 342-9009, or you may contact me by mail at the Louisiana Department of Economic Development, at the post office address or e-mail address shown below, if I may be of any assistance to you concerning the amendments to these rules.

Sincerely,

Robert L. Cangelosi

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