10167.0100

Sixty-second Legislative Assembly of North Dakota

Introduced by

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FIRST DRAFT:

Prepared by the Legislative Council staff for the Workforce Committee

September 2010

- 1 A BILL for an Act to create and enact a new section to chapter 54-60 of the North Dakota
- 2 Century Code, relating to a department of commerce grant program for university
- 3 entrepreneurs; and to provide an appropriation.

## 4 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

5 **SECTION 1.** A new section to chapter 54-60 of the North Dakota Century Code is 6 created and enacted as follows:

## Innovation 2020 award.

- The department shall administer the innovation 2020 award program to provide proof-of-concept funding to a qualified entrepreneur to assist in moving a new technology from academia into the commercialization cycle.
- 2. The following provisions apply to an award under this section:
  - a. An applicant must be an individual who is associated with a North Dakota institution of higher education as a student, an employee, or other relationship the department may authorize.
  - <u>b.</u> The applicant must have an early-stage technology with high commercial potential.
  - c. The department shall establish the qualified uses of funds received under this section.
  - d. As a term for receipt of funds under this section, the recipient shall agree to the department's repayment terms equal to two times the amount of the award.
  - e. The department's repayment terms may include the department taking an equity position in, providing a loan to, or using any other innovative financing

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1		mechanism to provide the funds to the recipient. The terms of repayment
2		may be conditioned on the new technology becoming income-generating.
3	<u>f.</u>	An award under this section may not exceed fifty thousand dollars. A
4		recipient may not receive more than one award under this section.
5	<u>g.</u>	An award under this section is not a business incentive under chapter
6		<u>54-60.1.</u>
7	SECTION	N 2. APPROPRIATION. There is appropriated out of any moneys in the
8	general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much	
9	of the sum as may be necessary, to the department of commerce for the purpose of making	
10	awards as provided for under section 1 of this Act, for the biennium beginning July 1, 2011, and	
11	ending June 30, 2013.	