

HOUSE BILL NO. 1058

Introduced by

Legislative Management

(Workforce Committee)

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 created
6 and enacted as follows:

7 **Innovation 2020 award.**

8 1. The department shall administer the innovation 2020 award program to provide
9 proof-of-concept funding to a qualified entrepreneur to assist in moving a new
10 technology from academia into the commercialization cycle.

11 2. The following provisions apply to an award under this section:

12 a. An applicant must be an individual who is associated with a North Dakota
13 institution of higher education as a student, an employee, or other relationship
14 the department may authorize.

15 b. The applicant must have an early-stage technology with high commercial
16 potential.

17 c. The department shall establish the qualified uses of funds received under this
18 section.

19 d. As a term for receipt of funds under this section, the recipient shall agree to the
20 department's repayment terms equal to two times the amount of the award.

21 e. The department's repayment terms may include the department taking an equity
22 position in, providing a loan to, or using any other innovative financing
23 mechanism to provide the funds to the recipient. The terms of repayment may be
24 conditioned on the new technology becoming income-generating.

1 f. An award under this section may not exceed fifty thousand dollars. A recipient
2 may not receive more than one award under this section.

3 g. An award under this section is not a business incentive under chapter 54-60.1.

4 **SECTION 2. APPROPRIATION.** There is appropriated out of any moneys in the general
5 fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the
6 sum as may be necessary, to the department of commerce for the purpose of making awards as
7 provided for under section 1 of this Act, for the biennium beginning July 1, 2011, and ending
8 June 30, 2013.