

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE BILL 922
Finance Committee Substitute Adopted 5/5/09
Third Edition Engrossed 5/6/09
PROPOSED HOUSE COMMITTEE SUBSTITUTE S922-PCS15300-RN-35

Short Title: Modify SBIR/STTR Grant Requirements.

(Public)

Sponsors:

Referred to:

March 26, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO EXCLUDE RESEARCH THAT CANNOT BE CONDUCTED WITHIN THE
3 STATE FROM ELIGIBILITY CALCULATIONS FOR GRANTS FROM THE ONE
4 NORTH CAROLINA SMALL BUSINESS PROGRAM AND TO EXEMPT FROM RULE
5 MAKING THE COMMUNITY COLLEGES SYSTEM OFFICE IN DEVELOPING
6 CRITERIA AND GUIDELINES ADMINISTERING THE CUSTOMIZED TRAINING
7 PROGRAM.

8 The General Assembly of North Carolina enacts:

9 **SECTION 1.** G.S. 143B-437.80(b) reads as rewritten:

10 "(b) Eligibility. – In order to be eligible for a grant under this section, a business must
11 satisfy all of the following conditions:

- 12 (1) The business must be a for-profit, North Carolina-based business. For the
13 purposes of this section, a North Carolina-based business is one that has its
14 principal place of business in this State.
15 (2) The business must have submitted a qualified SBIR/STTR Phase I proposal
16 to a participating federal agency in response to a specific federal solicitation.
17 (3) The business must satisfy all federal SBIR/STTR requirements.
18 (4) The business shall not receive concurrent funding support from other sources
19 that duplicates the purpose of this section.
20 (5) The business must certify that at least fifty-one percent (51%) of the research
21 described in the federal SBIR/STTR Phase I proposal will be conducted in
22 this State to the extent practical and that the business will remain a North
23 Carolina-based business for the duration of the SBIR/STTR Phase I project.
24 (6) The business must demonstrate its ability to conduct research in its
25 SBIR/STTR Phase I proposal."

26 **SECTION 2.** G.S. 143B-437.81(b) reads as rewritten:

27 "(b) Eligibility. – In order to be eligible for a grant under this section, a business must
28 satisfy all of the following conditions:

- 29 (1) The business must be a for-profit, North Carolina-based business. For the
30 purposes of this section, a North Carolina-based business is one that has its
31 principal place of business in this State.



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- (2) The business must have received a SBIR/STTR Phase I award from a participating federal agency in response to a specific federal solicitation. To receive the full match, the business must also have submitted a final Phase I report, demonstrated that the sponsoring agency has interest in the Phase II proposal, and submitted a Phase II proposal to the agency.
- (3) The business must satisfy all federal SBIR/STTR requirements.
- (4) The business shall not receive concurrent funding support from other sources that duplicates the purpose of this section.
- (5) The business must certify that at least fifty-one percent (51%) of the research described in the federal SBIR/STTR Phase II proposal will be conducted in this State to the extent practical and that the business will remain a North Carolina-based business for the duration of the SBIR/STTR Phase II project.
- (6) The business must demonstrate its ability to conduct research in its SBIR/STTR Phase II proposal."

SECTION 3. G.S. 150B-1(d) reads as rewritten:

"(d) Exemptions from Rule Making. – Article 2A of this Chapter does not apply to the following:

- (1) The Commission.
- (2) Repealed by Session Laws 2000-189, s. 14, effective July 1, 2000.
- (3) Repealed by Session Laws 2001-474, s. 34, effective November 29, 2001.
- (4) The Department of Revenue, with respect to the notice and hearing requirements contained in Part 2 of Article 2A.
- (5) The North Carolina Global TransPark Authority with respect to the acquisition, construction, operation, or use, including fees or charges, of any portion of a cargo airport complex.
- (6) The Department of Correction, with respect to matters relating solely to persons in its custody or under its supervision, including prisoners, probationers, and parolees.
- (7) The State Health Plan for Teachers and State Employees in administering the provisions of Article 3A of Chapter 135 of the General Statutes.
- (8) The North Carolina Federal Tax Reform Allocation Committee, with respect to the adoption of the annual qualified allocation plan required by 26 U.S.C. § 42(m), and any agency designated by the Committee to the extent necessary to administer the annual qualified allocation plan.
- (9) The Department of Health and Human Services in adopting new or amending existing medical coverage policies under the State Medicaid Program.
- (10) The Economic Investment Committee in developing criteria for the Job Development Investment Grant Program under Part 2F of Article 10 of Chapter 143B of the General Statutes.
- (11) The North Carolina State Ports Authority with respect to fees established pursuant to G.S. 143B-454(a)(11).
- (12) The Department of Commerce and the Economic Investment Committee in developing criteria and administering the Site Infrastructure Development Program under G.S. 143B-437.02.
- (13) The Department of Commerce and the Governor's Office in developing guidelines for the One North Carolina Fund under Part 2H of Article 10 of Chapter 143B of the General Statutes.
- (14) The Community Colleges System Office in developing guidelines for the Community College Facilities and Equipment Fund.

- 1 (15) The Department of Commerce in developing guidelines for the North
- 2 Carolina Economic Development Reserve.
- 3 (16) The State Ethics Commission with respect to Chapter 138A and Chapter
- 4 120C of the General Statutes.
- 5 (17) The Department of Commerce in developing guidelines for the NC Green
- 6 Business Fund under Part 2B of Article 10 of Chapter 143B of the General
- 7 Statutes.
- 8 (18) The Department of Commerce and the Economic Investment Committee in
- 9 developing criteria and administering the Job Maintenance and Capital
- 10 Development Fund under G.S. 143B-437.012.
- 11 (19) The Community Colleges System Office in developing criteria and
- 12 guidelines administering the Customized Training Program under
- 13 G.S. 115D-5.1."

14 **SECTION 4.** G.S. 115D-5.1(g) reads as rewritten:

15 "(g) The State Board shall adopt ~~rules and~~ policies to implement this section."

16 **SECTION 5.** This act is effective when it becomes law.