

September 2010

Introduced by

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:

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
20 the department's repayment terms equal to two times the amount of the
21 award.
- 22 e. The department's repayment terms may include the department taking an
23 equity position in, providing a loan to, or using any other innovative financing

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 f. 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 g. An award under this section is not a business incentive under chapter
6 54-60.1.

7 **SECTION 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.