

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  
House Committee Substitute Favorable 6/10/09

Short Title: Modify SBIR/STTR Grant Requirements.

(Public)

Sponsors:

Referred to:

March 26, 2009

A BILL TO BE ENTITLED

AN ACT TO EXCLUDE RESEARCH THAT CANNOT BE CONDUCTED WITHIN THE STATE FROM ELIGIBILITY CALCULATIONS FOR GRANTS FROM THE ONE NORTH CAROLINA SMALL BUSINESS PROGRAM AND TO EXEMPT FROM RULE MAKING THE COMMUNITY COLLEGES SYSTEM OFFICE IN DEVELOPING CRITERIA AND GUIDELINES ADMINISTERING THE CUSTOMIZED TRAINING PROGRAM.

The General Assembly of North Carolina enacts:

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

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

- (1) The business must be a for-profit, North Carolina-based business. For the purposes of this section, a North Carolina-based business is one that has its principal place of business in this State.
- (2) The business must have submitted a qualified SBIR/STTR Phase I proposal to a participating federal agency in response to a specific federal solicitation.
- (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 I 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 I project.
- (6) The business must demonstrate its ability to conduct research in its SBIR/STTR Phase I proposal."

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

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

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



1 report, demonstrated that the sponsoring agency has interest in the Phase II  
2 proposal, and submitted a Phase II proposal to the agency.

3 (3) The business must satisfy all federal SBIR/STTR requirements.

4 (4) The business shall not receive concurrent funding support from other sources  
5 that duplicates the purpose of this section.

6 (5) The business must certify that at least fifty-one percent (51%) of the research  
7 described in the federal SBIR/STTR Phase II proposal will be conducted in  
8 this State to the extent practical and that the business will remain a North  
9 Carolina-based business for the duration of the SBIR/STTR Phase II project.

10 (6) The business must demonstrate its ability to conduct research in its  
11 SBIR/STTR Phase II proposal."

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

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

15 (1) The Commission.

16 (2) Repealed by Session Laws 2000-189, s. 14, effective July 1, 2000.

17 (3) Repealed by Session Laws 2001-474, s. 34, effective November 29, 2001.

18 (4) The Department of Revenue, with respect to the notice and hearing  
19 requirements contained in Part 2 of Article 2A.

20 (5) The North Carolina Global TransPark Authority with respect to the  
21 acquisition, construction, operation, or use, including fees or charges, of any  
22 portion of a cargo airport complex.

23 (6) The Department of Correction, with respect to matters relating solely to  
24 persons in its custody or under its supervision, including prisoners,  
25 probationers, and parolees.

26 (7) The State Health Plan for Teachers and State Employees in administering  
27 the provisions of Article 3A of Chapter 135 of the General Statutes.

28 (8) The North Carolina Federal Tax Reform Allocation Committee, with respect  
29 to the adoption of the annual qualified allocation plan required by 26 U.S.C.  
30 § 42(m), and any agency designated by the Committee to the extent  
31 necessary to administer the annual qualified allocation plan.

32 (9) The Department of Health and Human Services in adopting new or  
33 amending existing medical coverage policies under the State Medicaid  
34 Program.

35 (10) The Economic Investment Committee in developing criteria for the Job  
36 Development Investment Grant Program under Part 2F of Article 10 of  
37 Chapter 143B of the General Statutes.

38 (11) The North Carolina State Ports Authority with respect to fees established  
39 pursuant to G.S. 143B-454(a)(11).

40 (12) The Department of Commerce and the Economic Investment Committee in  
41 developing criteria and administering the Site Infrastructure Development  
42 Program under G.S. 143B-437.02.

43 (13) The Department of Commerce and the Governor's Office in developing  
44 guidelines for the One North Carolina Fund under Part 2H of Article 10 of  
45 Chapter 143B of the General Statutes.

46 (14) The Community Colleges System Office in developing guidelines for the  
47 Community College Facilities and Equipment Fund.

48 (15) The Department of Commerce in developing guidelines for the North  
49 Carolina Economic Development Reserve.

50 (16) The State Ethics Commission with respect to Chapter 138A and Chapter  
51 120C of the General Statutes.

- 1 (17) The Department of Commerce in developing guidelines for the NC Green  
2 Business Fund under Part 2B of Article 10 of Chapter 143B of the General  
3 Statutes.  
4 (18) The Department of Commerce and the Economic Investment Committee in  
5 developing criteria and administering the Job Maintenance and Capital  
6 Development Fund under G.S. 143B-437.012.  
7 (19) The Community Colleges System Office in developing criteria and  
8 guidelines administering the Customized Training Program under  
9 G.S. 115D-5.1."  
10 **SECTION 4.** G.S. 115D-5.1(g) reads as rewritten:  
11 "(g) The State Board shall adopt ~~rules and~~ policies to implement this section."  
12 **SECTION 5.** This act is effective when it becomes law.