

Committee: Directly to Council Committee Review: N/A Staff: Christine Wellons, Senior Legislative Attorney Purpose: To introduce agenda item – no vote expected Keywords: #SBIR #STTR

SUBJECT

Expedited Bill 31-22, Finance – Economic Development Fund - Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program

Lead Sponsors: Councilmembers Riemer, Jawando, and Friedson

EXPECTED ATTENDEES

None

COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

• N/A; Introduction

DESCRIPTION/ISSUE

Expedited Bill 31-22 would:

- (1) alter the administration and eligibility requirements of the Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program; and
- (2) generally amend the law regarding the Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program and the Economic Development Fund.

SUMMARY OF KEY DISCUSSION POINTS

- The purpose of the bill is to provide the Executive with greater flexibility in the administration of the SBIR and STTR economic development programs.
- A public hearing an action are tentatively scheduled for November 29, 2022.

This report contains:

Expedited Bill 31-22

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Expedited Bill No. 31-22
Concerning: Finance – Economic
Development Fund - Small Business
Innovation Research and Small
Business Technology Transfer
Matching Grant Program
Revised: <u>10/21/2022</u> Draft No. <u>1</u>
Introduced: November 1, 2022
Expires:
Enacted:
Executive:
Effective:
Sunset Date:
Ch, Laws of Mont. Co

COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

Lead Sponsor: Councilmembers Riemer, Jawando, and Friedson

AN EXPEDITED ACT to:

- (1) alter the administration and eligibility requirements of the Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program; and
- (2) generally amend the law regarding the Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program and the Economic Development Fund.

By amending

Montgomery County Code Chapter 20, Finance Section 20-76E

Boldface <u>Underlining</u> [Single boldface brackets] <u>Double underlining</u> [[Double boldface brackets]]	Heading or defined term. Added to existing law by original bill. Deleted from existing law by original bill. Added by amendment. Deleted from existing law or the bill by amendment. Existing law unaffected by bill.
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The County Council for Montgomery County, Maryland approves the following Act:

1	Sec 1	. Section 20-76E is amended as follows:				
2	20-76E. Sn	nall Business Innovation Research and Small Business Technology				
3	Transfer Matching Grant Program.					
4	(a)	Definitions. As used in this Section:				
5		* * *				
6	(b)	Grant Program. The Director of Finance must pay, subject to				
7		appropriation, a SBIR or STTR Matching Grant to each business who				
8		meets certain eligibility standards.				
9	(c)	Eligibility. A business is eligible to receive the matching grant if the				
10		business:				
11		(1) has been awarded a SBIR or STTR Phase I or Phase II grant during				
12		the current calendar year to conduct research in medicine,				
13		biotechnology, or life sciences; [and]				
14		(2) conducts at least 51% of its research and development operations				
15		at a physical location in the County; and				
16		(3) meets any other eligibility criteria established under subsection (d)				
17		regarding business size or characteristics.				
18	(d)	Regulations. The Executive may adopt regulations under Method (2) to				
19		implement this Section.				
20	[(e)	Amount of grant.				
21		(1) An eligible business may receive:				
22		(A) a match of 25% of a SBIR or STTR Phase I grant, up to a				
23		maximum of \$25,000; or				
24		(B) a match of 25% of a SBIR or STTR Phase II grant, up to a				
25		maximum of \$75,000.				
26		(2) an eligible business may receive only:				
		- 2 -				

27		(A)	one County matching grant under this Program each year;	
28			and	
29		(B)	a total of five County matching grants under this Program.]	
30	[(f)] <u>(e)</u>	Admi	nistration.	
31	(1)	The I	Director must administer the Program.	
32	(2)	The 1	Director must require a business to enter into an agreement	
33		under	r Section 20-75(f), including an agreement to pay back any	
34		grant	payments received if:	
35		(A)	the business does not remain in the County for a minimum	
36			time period specified in the agreement; or	
37		(B)	the business uses the payment for an unauthorized purpose.	
38	(3)	[Gran	nts must be awarded on a first-come, first-served basis.]	
39	[(4)]	An e	ligible business that does not receive a grant due to lack of	
40		availa	able funding may be awarded a grant in the following year.	
41	[(5)	The	Director must reserve 50% of the appropriated funds for	
42		eligit	ble businesses receiving a Phase I grant and 50% of the	
43		appro	opriated funds for eligible businesses receiving a Phase II	
44		grant	.]	
45	[(g)] <u>(f)</u>	Sunse	et. This Section is not effective after July 1, 2025.	
46	Sec. 2. Exp	edited	Effective Date. The Council declares that this legislation is	
47	necessary for the immediate protection of the public interest. This Act takes effect on			
48	the date on which it becomes law.			