**Section 545.330 Modernization Grants Program**

a) Purpose – The purpose of the Modernization Grants Program is defined at Section 3515 of the Act. *Subject to appropriated funds, modernization grants may be made for the purpose of financing, competitive assessments, or productivity improvement services that the Department determines may result in technology enhancement, retooling, restructuring, or other competitiveness improvements.*

b) Eligible Applicants – *Grants may be made to, or on behalf of, Illinois' mature, small, or medium-sized businesses.*

c) Authorized Activities – Per Section 3515(a) of the Act, grants may be awarded for:

1) *undertaking feasibility studies, competitiveness assessments, and productivity audits to restore their businesses' competitiveness; or*

2) *the modernization and installation of advanced manufacturing systems or processes that will improve the businesses' production systems and work organization, or will preserve and create private sector jobs by increasing the firms' long-term competitive viability.*

d) Limitations – Per Section 3515(c) of the Act, *modernization grants to eligible applicants shall not exceed $100,000 or 50% of the project costs, unless the Director determines that a waiver of these limits is required to meet the purposes of the Act.*

e) Role of Intermediary Organizations – Per Section 3515(b), *assistance authorized under this Section may be in the form of direct grant agreements, agreements with private sector consultants on behalf of a firm, or agreements with participating intermediary organizations.*