



95TH GENERAL ASSEMBLY

State of Illinois

2007 and 2008

HB4881

by Rep. Maria Antonia Berrios

SYNOPSIS AS INTRODUCED:

New Act
30 ILCS 105/5.708 new

Creates the Emerging Technology Industries Grant Act. Requires the Department of Commerce and Economic Opportunity to establish and maintain a program to award grants to emerging-technology enterprises in the State. Sets forth eligibility requirements and funding priorities for awarding the grants, and sets forth procedures for awarding the grants. Requires written contracts in which the emerging-technology enterprise guarantees that it will perform the actions expected to be performed. Amends the State Finance Act to create the Emerging Technology Grant Fund. Effective immediately.

LRB095 15328 BDD 41316 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning finances.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Emerging Technology Industries Grant Act.

6 Section 5. Purpose. It is the purpose of this Act to
7 develop and diversify the economy of the State of Illinois by:

8 (1) expediting the innovation and commercialization of
9 research;

10 (2) attracting, creating, or expanding private-sector
11 entities that will promote a substantial increase in
12 high-quality jobs; and

13 (3) increasing higher education applied technology
14 research capabilities.

15 Section 10. Definitions. As used in this Act:

16 "Department" means the Department of Commerce and Economic
17 Opportunity.

18 "Emerging technology enterprise" means a business concern
19 that is primarily engaged in an emerging technology industry.

20 "Emerging technology industry" includes, without
21 limitation, any industry related to:

22 (1) semiconductors;

- 1 (2) computer and software technology;
- 2 (3) energy;
- 3 (4) manufactured energy systems;
- 4 (5) micro-electromechanical systems;
- 5 (6) nanotechnology;
- 6 (7) biotechnology;
- 7 (8) medicine;
- 8 (9) life sciences;
- 9 (10) petroleum;
- 10 (11) aerospace;
- 11 (12) defense; and
- 12 (13) any other pursuit that is determined by the
- 13 Department to be an emerging technology industry.

14 "Fund" means the Emerging Technology Grant Fund
15 established under Section 20 of this Act.

16 Section 15. Eligibility. An emerging-technology enterprise
17 is eligible to receive a grant under this Act if the activity
18 to be funded: (i) will result in the creation of new jobs in
19 this State; and (ii) has the potential to result in the
20 advancement of a medicine or science.

21 Section 20. The Emerging Technology Grant Fund. The
22 Emerging Technology Grant Fund is created as a special fund in
23 the State treasury. From appropriations to the Department from
24 the Fund, the Department shall make grants to

1 emerging-technology enterprises in the State as set forth under
2 this Act. Moneys received for the purposes of this Section,
3 including, without limitation, appropriations, repayments of
4 grant moneys, and gifts, grants, and awards from any public or
5 private entity, must be deposited into the Fund. Any interest
6 earnings that are attributable to moneys in the Fund must be
7 deposited into the Fund.

8 Section 25. Grant contracts.

9 (a) Before awarding a grant under this Act, the Department
10 shall enter into a written contract with the
11 emerging-technology enterprise to be awarded the grant money.
12 In the contract, the emerging-technology enterprise shall
13 guarantee that it will perform the actions expected to be
14 performed. The contract may specify that:

15 (1) If all or any portion of the amount of the grant is
16 used to build a capital improvement:

17 (A) the State retains a lien or other interest in
18 the capital improvement in proportion to the
19 percentage of the grant amount used to pay for the
20 capital improvements; and

21 (B) the recipient of the grant shall, if the
22 capital improvement is sold, (i) repay to the State the
23 grant money used to pay for the capital improvement,
24 with the interest at the rate and according to the
25 other terms provided by the agreement, and (ii) share

1 with the State a proportionate amount of any profit
2 realized from the sale; and

3 (2) If, as of the date certain provided in the
4 contract, the grant recipient has not used grant money
5 awarded under this Act for the purposes for which the grant
6 was intended, then the recipient shall repay that amount
7 and any related interest applicable under the agreement to
8 the State at the agreed rate and on the agreed terms.

9 (b) If an emerging-technology enterprise fails to perform
10 an action guaranteed by contract before a time specified by
11 contract, then the enterprise shall return all moneys received
12 from the Fund.

13 Section 30. Funding priority. In awarding money from the
14 Fund under this Act, priority shall be given to proposals that:

15 (1) involve emerging scientific or technology fields
16 that have a reasonable probability of enhancing the State's
17 national and global economic competitiveness;

18 (2) may result in a medical or scientific advancement;

19 (3) are collaborative between any combination of
20 private or nonprofit entities and public or private
21 agencies or institutions in the State;

22 (4) are matched with other available funds, including
23 funds from the private or nonprofit entity or institution
24 of higher education collaborating on the project; or

25 (5) have an economic development benefit to the State.

1 Section 35. Research Grant Matching. Amounts allocated
2 from the Fund for use as provided by this Act must be reserved
3 to match funding from research sponsors other than this State,
4 including federal research sponsors. The Department shall
5 determine proposals eligible for funding under this Act.

6 Section 40. Documentation of benefits.

7 (a) An emerging-technology enterprise that receives a
8 grant under this Act must document specific benefits that the
9 State may expect to gain as a result of the grant award. This
10 documentation must be completed and provided to the Department
11 before the emerging-technology enterprise may enter into
12 contract to receive funding under Section 25.

13 (b) The Department may terminate funding to an
14 emerging-technology enterprise if the enterprise fails to
15 realize a benefit specified in the contract, as determined by a
16 periodic review conducted by the Department.

17 Section 90. The State Finance Act is amended by adding
18 Section 5.708 as follows:

19 (30 ILCS 105/5.708 new)

20 Sec. 5.708. The Emerging Technology Grant Fund.

21 Section 99. Effective date. This Act takes effect upon
22 becoming law.