

1 AN ACT concerning State government.

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

4 Section 5. The Department of Commerce and Economic
5 Opportunity Law of the Civil Administrative Code of Illinois is
6 amended by adding Section 605-1025 as follows:

7 (20 ILCS 605/605-1025 new)

8 Sec. 605-1025. Illinois SBIR/STTR Matching Funds Program.

9 (a) There is established the Illinois Small Business
10 Innovation Research (SBIR) and Small Business Technology
11 Transfer (STTR) Matching Funds Program to be administered by
12 the Department. In order to foster job creation and economic
13 development in the State, the Department may make grants to
14 eligible businesses to match funds received by the business as
15 an SBIR or STTR Phase I award and to encourage businesses to
16 apply for Phase II awards.

17 (b) In order to be eligible for a grant under this Section,
18 a business must satisfy all of the following conditions:

19 (1) The business must be a for-profit, Illinois-based
20 business. For the purposes of this Section, an
21 Illinois-based business is one that has its principal place
22 of business in this State;

23 (2) The business must have received an SBIR/STTR Phase

1 I award from a participating federal agency in response to
2 a specific federal solicitation. To receive the full match,
3 the business must also have submitted a final Phase I
4 report, demonstrated that the sponsoring agency has
5 interest in the Phase II proposal, and submitted a Phase II
6 proposal to the agency.

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

9 (4) The business shall not receive concurrent funding
10 support from other sources that duplicates the purpose of
11 this Section.

12 (5) The business must certify that at least 51% of the
13 research described in the federal SBIR/STTR Phase II
14 proposal will be conducted in this State and that the
15 business will remain an Illinois-based business for the
16 duration of the SBIR/STTR Phase II project.

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

19 (c) The Department may award grants to match the funds
20 received by a business through an SBIR/STTR Phase I proposal up
21 to a maximum of \$50,000. Seventy-five percent of the total
22 grant shall be remitted to the business upon receipt of the
23 SBIR/STTR Phase I award and application for funds under this
24 Section. Twenty-five percent of the total grant shall be
25 remitted to the business upon submission by the business of the
26 Phase II application to the funding agency and acceptance of

1 the Phase I report by the funding agency. A business may
2 receive only one grant under this Section per year. A business
3 may receive only one grant under this Section with respect to
4 each federal proposal submission. Over its lifetime, a business
5 may receive a maximum of 5 awards under this Section.

6 (d) A business shall apply, under oath, to the Department
7 for a grant under this Section on a form prescribed by the
8 Department that includes at least all of the following:

9 (1) the name of the business, the form of business
10 organization under which it is operated, and the names and
11 addresses of the principals or management of the business;

12 (2) an acknowledgment of receipt of the Phase I report
13 and Phase II proposal by the relevant federal agency; and

14 (3) any other information necessary for the Department
15 to evaluate the application.