§ 143B-437.80. North Carolina SBIR/STTR Incentive Program.

(a) Program. – There is established the North Carolina SBIR/STTR Incentive Program to be administered by the North Carolina Board of Science, Technology, and Innovation. In order to foster job creation and economic development throughout the State, the Board may provide grants to eligible businesses to offset costs associated with applying for federal Small Business Innovative Research (SBIR) grants or Small Business Technology Transfer Research (STTR) grants. The grants shall be paid from the One North Carolina Small Business Account established in G.S. 143B-437.71.

(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 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.

(c) Grant. – The North Carolina Board of Science, Technology, and Innovation may award grants to reimburse an eligible business for a percentage of the costs of preparing and submitting a SBIR/STTR Phase I proposal, up to a maximum of twelve thousand dollars ($12,000). The maximum percentage for reimbursement is seventy-five percent (75%) for an eligible business located in a development tier one or two area, as defined in G.S. 143B-437.08, and is fifty percent (50%) for any other eligible business. A business may receive only two grants under this section per year. Costs that may be reimbursed include costs incurred directly related to preparation and submission of the grant such as word processing services, proposal consulting fees, project-related supplies, literature searches, rental of space or equipment related to the proposal preparation, educational programs, and salaries of individuals involved with the preparation of the proposals. Costs that shall not be reimbursed include travel expenses, large equipment purchases, facility or leasehold improvements, and legal fees. A grant to a business partnered with a public institution of higher education in this State does not count toward the maximum grant limitation provided in this section.

(d) Application. – A business shall apply, under oath, to the North Carolina Board of Science, Technology, and Innovation for a grant under this section on a form prescribed by the Board that includes at least all of the following:

1. The name of the business, the form of business organization under which it is operated, and the names and addresses of the principals or management of the business.
2. An acknowledgement of receipt of the Phase I proposal by the relevant federal agency.
3. An itemized statement of the costs that may be reimbursed.
4. Any other information necessary for the Board to evaluate the application.
(e) Education and Outreach. – The North Carolina Board of Science, Technology, and Innovation may use up to ten percent (10%) of funds appropriated for grants under this section to provide education and outreach, including training, materials, and location and other associated costs, to aid in the awareness and successful completion of SBIR/STTR Phase I proposals. (2005-276, s. 13.14(b); 2014-18, s. 2.2; 2021-180, s. 11.7(a).)