

Effective 5/12/2015

63N-3-204 Administration -- Grants and loans.

- (1) The office shall administer this part.
- (2)
 - (a)
 - (i) The office may award Technology Commercialization and Innovation Program grants or issue loans under this part to an applicant that is:
 - (A) an institution of higher education;
 - (B) a licensee; or
 - (C) a small business.
 - (ii) If loans are issued under Subsection (2)(a)(i), the Division of Finance may set up a fund or account as necessary for the proper accounting of the loans.
 - (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the office shall make rules for a process to determine whether an institution of higher education that receives a grant under this part must return the grant proceeds or a portion of the grant proceeds if the technology that is developed with the grant proceeds is licensed to a licensee that:
 - (i) does not maintain a manufacturing or service location in the state from which the licensee or a sublicensee exploits the technology; or
 - (ii) initially maintains a manufacturing or service location in the state from which the licensee or a sublicensee exploits the technology, but within five years after issuance of the license the licensee or sublicensee transfers the manufacturing or service location for the technology to a location out of the state.
 - (c) A repayment by an institution of higher education of grant proceeds or a portion of the grant proceeds may only come from the proceeds of the license established between the licensee and the institution of higher education.
 - (d)
 - (i) An applicant that is a licensee or small business that receives a grant under this part shall return the grant proceeds or a portion of the grant proceeds to the office if the applicant:
 - (A) does not maintain a manufacturing or service location in the state from which the applicant exploits the technology; or
 - (B) initially maintains a manufacturing or service location in the state from which the applicant exploits the technology, but within five years after issuance of the grant, the applicant transfers the manufacturing or service location for the technology to an out-of-state location.
 - (ii) A repayment by an applicant shall be prorated based on the number of full years the applicant operated in the state from the date of the awarded grant.
 - (iii) A repayment by a licensee that receives a grant may only come from the proceeds of the license to that licensee.
- (3)
 - (a) Funding allocations shall be made by the office with the advice of the board.
 - (b) Each proposal shall receive the best available outside review.
- (4)
 - (a) In considering each proposal, the office shall weigh technical merit, the level of matching funds from private and federal sources, and the potential for job creation and economic development.
 - (b) Proposals or consortia that combine and coordinate related research at two or more institutions of higher education shall be encouraged.

- (5) The office shall review the activities and progress of grant recipients on a regular basis and, as part of the office's annual written report described in Section 63N-1-301, report on the accomplishments and direction of the Technology Commercialization and Innovation Program.

Renumbered and Amended by Chapter 283, 2015 General Session