

1 A bill to be entitled
 2 An act relating to the Florida Research Commercialization
 3 Matching Grant Program; creating s. 288.9552, F.S.;
 4 providing legislative findings and intent; creating the
 5 program; providing eligibility guidelines for applicants;
 6 providing for a program administrator; providing for
 7 program administrative costs; specifying eligibility
 8 requirements; providing a schedule for the review of
 9 applications; providing for awards; requiring the Florida
 10 Institute for the Commercialization of Public Research to
 11 submit an annual report to the Governor and Legislature;
 12 amending s. 288.9625, F.S.; revising the purpose of the
 13 Institute for the Commercialization of Public Research;
 14 deleting a requirement that Enterprise Florida, Inc.,
 15 contract with a state university to fulfill the purposes
 16 of the institute; revising the institute's powers and
 17 duties; requiring the institute to administer a matching
 18 grant program to provide financial assistance for certain
 19 early stage companies; providing an appropriation;
 20 providing an effective date.

21
 22 Be It Enacted by the Legislature of the State of Florida:

23
 24 Section 1. Section 288.9552, Florida Statutes, is created
 25 to read:

26 288.9552 Florida Research Commercialization Matching Grant
 27 Program.—

28 (1) PURPOSE; GOALS AND OBJECTIVES; CREATION OF PROGRAM.—

29 (a) The purpose of the Florida Research Commercialization
30 Matching Grant Program is to increase the amount of federal
31 funding available to this state for producing the kind of
32 distinctive technologies that drive today's knowledge-based
33 economy. By leveraging federal, state, and private-sector
34 resources, the Legislature intends that the program accelerate
35 the innovation process and more efficiently transform research
36 results into products in the marketplace.

37 (b) The Legislature specifically intends for the matching
38 grant program to be a catalyst for small or startup companies to
39 take advantage of federal and state partnerships in order to
40 accelerate their growth and market penetration by helping them
41 to overcome the funding gap faced by many small companies based
42 in this state. The specific goals and objectives of the program
43 include:

44 1. Increasing the amount of federal research moneys
45 received by small businesses in this state through awards from
46 the Small Business Innovation Research Program and the Small
47 Business Technology Transfer Program of the Office of Technology
48 of the United States Small Business Administration.

49 2. Accelerating the entry of new technology-based products
50 into the marketplace.

51 3. Producing additional technology-based jobs for the
52 state.

53 4. Providing leveraged resources to increase the
54 effectiveness and success of applicants' projects.

55 5. Speeding commercialization of promising technologies.

56 6. Encouraging the establishment and growth of high-

57 quality, advanced technology firms in the state.

58 7. Accelerating the rate of investment and enhancing the
59 state's investment infrastructure.

60 (c) The Florida Research Commercialization Matching Grant
61 Program is created for the purpose of accomplishing the goals
62 and objectives specified in this section.

63 (2) ADMINISTRATION.—The Florida Institute for the
64 Commercialization of Public Research shall develop programmatic
65 policy, ensure statewide applicability of the matching grant
66 program, establish criteria for grant awards, approve grant
67 awards, and review the program's progress and results.

68 (3) ELIGIBILITY GUIDELINES.—A qualified applicant must:

69 (a) Be a business entity that is registered with the
70 Secretary of State to operate in this state. A qualified
71 applicant must also have its primary office and a majority of
72 its employees domiciled in the state, and its principal research
73 activities must be conducted in the state.

74 (b) Be a small company for which a state matching grant is
75 necessary for project development and implementation.

76 (c) Have received a Phase I award under the federal Small
77 Business Innovation Research Program or Small Business
78 Technology Transfer Program and have received an invitation to
79 submit an application for a Phase II award. If a Phase II award
80 has already been issued, the end date of the federal award must
81 be identified and justification must be provided as to how these
82 additional funds will enhance, not supplant, the existing award.

83 (d) Use federal, local, and private resources to the
84 maximum extent possible. Total project funding must demonstrate

85 that:

86 1. Private-sector investments offset the total cost of the
87 project; and

88 2. At least 75 percent of the project's total funding is
89 from sources other than the state grant.

90 (e) Conduct the project funded by the matching grant
91 program in this state.

92 (4) PROGRAM ADMINISTRATOR.—Subject to legislative
93 appropriations, the Florida Institute for the Commercialization
94 of Public Research shall serve as program administrator. The
95 institute may contract for the performance of a technology
96 review and related functions with a third party. Not more than 5
97 percent of a legislative appropriation may be used for
98 administrative purposes. The responsibilities of the program
99 administrator include, but are not limited to:

100 (a) Coordinating and supporting the grant review,
101 approval, and contracting activities;

102 (b) Administering the grant-selection process, including,
103 but not limited to, issuing open-call requests for grant
104 applications and receiving, reviewing, and processing grant
105 applications;

106 (c) Serving as grant contract manager for recipients of a
107 matching grant;

108 (d) Reporting program progress and results; and

109 (e) Establishing a mechanism by which information
110 regarding grant projects may be made available to facilitate
111 additional investment by individual investors, investment for
112 early start-up costs, or venture capital investment.

113 (5) APPLICATION REVIEW.—An application for a matching
114 grant award must be reviewed and approved or denied within 45
115 days after receipt.

116 (6) FIDUCIARY.—The Florida Institute for the
117 Commercialization of Public Research shall award a grant to a
118 qualified applicant if:

119 (a) The qualified applicant demonstrates that it has
120 obtained a Phase II award under the federal Small Business
121 Innovation Research Program or Small Business Technology
122 Transfer Program; and

123 (b) The qualified applicant executes a performance
124 contract with the institute.

125
126 The institute shall release the grant to a qualified applicant
127 upon completion of all contract requirements.

128 (7) AWARDS.—The matching grant program may provide one-
129 time awards of up to \$250,000 per project to a qualified
130 applicant.

131 (8) REPORTING.—Beginning December 1, 2011, and annually
132 thereafter, the Florida Institute for the Commercialization of
133 Public Research shall submit a report relating to the grants
134 awarded under the program to the Governor, the President of the
135 Senate, and the Speaker of the House of Representatives for the
136 previous fiscal year.

137 Section 2. Subsections (8) through (12) of section
138 288.9625, Florida Statutes, are renumbered as subsections (7)
139 through (11), respectively, and present subsections (2), (7),
140 (8), and (9) of that section are amended to read:

141 288.9625 Institute for the Commercialization of Public
 142 Research.—There is established the Institute for the
 143 Commercialization of Public Research.

144 (2) The purpose of the institute is to assist in the
 145 commercialization of products developed by the research and
 146 development activities of universities and colleges, research
 147 institutes, ~~and~~ publicly and privately supported organizations
 148 within the state, and individuals. The institute shall operate
 149 to fulfill its purpose and in the best interests of the state.
 150 The institute:

151 (a) Shall be a corporation primarily acting as an
 152 instrumentality of the state pursuant to s. 768.28(2), for the
 153 purposes of sovereign immunity;

154 (b) Is not an agency within the meaning of s. 20.03(11);

155 (c) Is subject to the open records and meetings
 156 requirements of s. 24, Art. I of the State Constitution, chapter
 157 119, and s. 286.011;

158 (d) Is not subject to the provisions of chapter 287;

159 (e) Shall be governed by the code of ethics for public
 160 officers and employees as set forth in part III of chapter 112;

161 (f) Is not authorized to create corporate subsidiaries;

162 (g) Shall support existing commercialization efforts at
 163 state universities; and

164 (h) Shall not supplant, replace, or direct existing
 165 technology transfer operations or other commercialization
 166 programs, including incubators and accelerators, whether public
 167 or private.

168 ~~(7) Enterprise Florida, Inc., shall issue a request for~~

169 ~~proposals to state universities requesting proposals to fulfill~~
170 ~~the purposes of the institute as described in this section and~~
171 ~~provide for its physical location in a major metropolitan area~~
172 ~~in the southern part of the state having extensive commercial~~
173 ~~air service to facilitate access by venture capital providers.~~
174 ~~Enterprise Florida, Inc., shall review the proposals in a~~
175 ~~committee appointed by its board of directors which shall make a~~
176 ~~recommendation for final selection. Final approval of the~~
177 ~~selected proposal must be by the board of directors of~~
178 ~~Enterprise Florida, Inc., at one of its duly noticed meetings.~~

179 (7)~~(8)~~ (a) To be eligible for assistance, the company or
180 organization attempting to commercialize its product must be
181 accepted by the institute before receiving the institute's
182 assistance.

183 (b) The institute shall receive recommendations from any
184 publicly supported organization that a company that is
185 commercializing the research, technology, or patents from a
186 qualifying publicly or privately supported organization should
187 be accepted into the institute.

188 (c) The institute shall thereafter review the business
189 plans and technology information of each such recommended
190 company. If accepted, the institute shall mentor the company,
191 develop marketing information on the company, and use its
192 resources to attract capital investment into the company, as
193 well as bring other resources to the company which may foster
194 its effective management, growth, capitalization, technology
195 protection, or marketing or business success.

196 (8)~~(9)~~ The institute shall:

197 (a) Maintain a centralized location to showcase companies
 198 and their technologies and products;

199 (b) Develop an efficient process to inventory and
 200 publicize companies and products that have been accepted by the
 201 institute for commercialization;

202 (c) Routinely communicate with private investors and
 203 venture capital organizations regarding the investment
 204 opportunities in its showcased companies;

205 (d) Facilitate meetings between prospective investors and
 206 eligible organizations in the institute;

207 (e) Hire full-time staff who understand relevant
 208 technologies needed to market companies to the angel investors
 209 and venture capital investment community; and

210 (f) Develop cooperative relationships with publicly and
 211 privately supported organizations all of which work together to
 212 provide resources or special knowledge that is likely to be
 213 helpful to institute companies.

214 (g) Administer a legislatively created matching grant
 215 program to provide financial assistance for early stage
 216 companies that have received federal funding and that may have
 217 received private or other public financial assistance.

218 Section 3. The sum of \$4 million of nonrecurring funds is
 219 appropriated from the General Revenue Fund to the Florida
 220 Institute for the Commercialization of Public Research for the
 221 purpose of implementing s. 288.9552, Florida Statutes, during
 222 the 2010-2011 fiscal year.

223 Section 4. This act shall take effect July 1, 2010.