

Bill No. 41-17  
Concerning: Economic Development  
Fund – Small Business Innovation  
Research and Small Business  
Technology Transfer Matching Grant  
Program - Established  
Revised: March 5, 2018 Draft No. 4  
Introduced: December 12, 2017  
Enacted: March 20, 2018  
Executive: April 2, 2018  
Effective: July 2, 2018  
Sunset Date: July 1, 2025  
Ch. 4, Laws of Mont. Co. 2018

## COUNTY COUNCIL FOR MONTGOMERY COUNTY, MARYLAND

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Lead Sponsor: Councilmember Leventhal  
Co-Sponsors: Council President Riemer, Councilmembers Rice, Elrich, Berliner, Katz, Council  
Vice-President Navarro and Councilmembers Hucker and Floreen

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**AN ACT** to:

- (1) establish a Small Business Innovation Research and Small Business Technology Transfer Matching Grant Program;
- (2) define eligibility for the Program; and
- (3) generally amend the law governing the Economic Development Fund.

By adding

Montgomery County Code  
Chapter 20, Finance  
Section 20-76E

<b>Boldface</b>	<i>Heading or defined term.</i>
<u>Underlining</u>	<i>Added to existing law by original bill.</i>
[Single boldface brackets]	<i>Deleted from existing law by original bill.</i>
<u>Double underlining</u>	<i>Added by amendment.</i>
[[Double boldface brackets]]	<i>Deleted from existing law or the bill by amendment.</i>
* * *	<i>Existing law unaffected by bill.</i>

*The County Council for Montgomery County, Maryland approves the following Act:*

1           **Sec. 1. Section 20-76E is added as follows:**

2           **20-76E. Small Business Innovation Research and Small Business Technology**  
3           **Transfer Matching Grant Program.**

4           (a)   Definitions. As used in this Section:

5                   Director means the Director of Finance or the Director’s designee.

6                   Small Business Innovation Research Grant or SBIR means the  
7                   congressionally-mandated set-aside program by that name for U.S. small  
8                   businesses to engage in research and development that has a strong  
9                   potential for commercialization.

10                  Small Business Technology Transfer Grant or STTR means the  
11                  congressionally-mandated set-aside program by that name for U.S. small  
12                  businesses to engage in research and development that has a strong  
13                  potential for commercialization.

14           (b)   Grant Program. The Director of Finance must pay, subject to  
15                  appropriation, a SBIR or STTR Matching Grant to each business who  
16                  meets certain eligibility standards.

17           (c)   Eligibility. A business is eligible to receive the matching grant if the  
18                  business:

19                   (1)   has been awarded a SBIR or STTR Phase I or Phase II grant during  
20                   the current calendar year by the National Institutes of Health; and

21                   (2)   conducts at least 51% of its research and development operations  
22                   at a physical location in the County.

23           (d)   Regulations. The Executive may adopt regulations under Method (2) to  
24                  implement this Section.

25           (e)   Amount of grant.

26                   (1)   An eligible business may receive:

27 (A) a match of 25% of a SBIR or STTR Phase I grant, up to a  
28 maximum of \$25,000; or

29 (B) a match of 25% of a SBIR or STTR Phase II grant, up to a  
30 maximum of \$75,000.

31 (2) an eligible business may receive only:

32 (A) one County matching grant under this Program each year;  
33 and

34 (B) a total of five County matching grants under this Program.

35 (f) Administration.

36 (1) The Director must administer the Program.

37 (2) The Director must require a business to pay back any grant  
38 payments received if the business does not remain in the County  
39 for at least 2 years after receiving the grant payment.

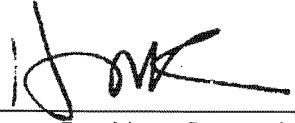
40 (3) Grants must be awarded on a first-come, first-served basis.

41 (4) An eligible business that does not receive a grant due to lack of  
42 available funding may be awarded a grant in the following year.

43 (5) The Director must reserve 50% of the appropriated funds for  
44 eligible businesses receiving a Phase I grant and 50% of the  
45 appropriated funds for eligible businesses receiving a Phase II  
46 grant.

47 (g) Sunset. This Section is not effective after July 1, 2025

Approved:

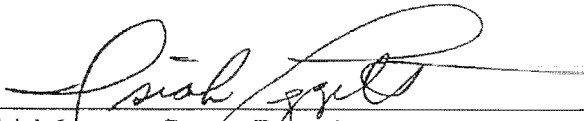


3-20-18

Hans D. Riemer, President, County Council

Date

Approved:



4/2/18

Isiah Leggett, County Executive

Date

*This is a correct copy of Council action.*



4/3/18

Megan Davey Limarzi, Esq., Clerk of the Council

Date