



SPONSOR: Sen. McDowell & Rep. Brady
Sens. Henry, Poore, Sokola, Bonini, Hansen, Walsh;
Reps. Keeley, Heffernan

DELAWARE STATE SENATE
149th GENERAL ASSEMBLY

SENATE BILL NO. 245

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO ECONOMIC DEVELOPMENT.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

1 Section 1. Amend Section 8736A, Chapter 87A, Title 29 of the Delaware Code by making deletions as shown by
2 strikethrough and insertions as shown by underline as follows:

3 § 8736A Duties.

4 In carrying out this Program, to promote technology development and utilization within the small business sector,
5 the duties of the Division shall include but not be limited to:

6 (1) Promote the SBIR and STTR Programs among Delaware small businesses.

7 (2) Seek technical assistance for small businesses to participate more effectively in the federal SBIR and STTR
8 Programs.

9 (3) Coordinate efforts with small business, institutions of higher education, financial institutions and government
10 to affect timely development and utilization of new development of technology.

11 (4) Administer state matching funds in association with the Delaware Technical Innovation Program for the
12 federal SBIR and STTR Programs to provide state matching funds to compensate for the lag between federal Phase I and
13 Phase II awards under the SBIR and STTR Programs.

14 (5) Coordinate efforts within the business sector to commercialize innovative products and processes developed
15 by small businesses.

16 (6) Assist small businesses that are engaged in technology development and utilization in obtaining private sector
17 financing.

18 (7) Develop job training programs to meet specific needs for small business.

19 (8) Review and recommend ways of streamlining relevant state regulations to expedite the development of
20 innovative products and processes.

21 (9) Delaware institutions of higher education participating in the program may identify and sponsor the proper
22 legal status needed by entrepreneurs who are currently graduate students, or who were awarded a graduate degree within

the last three years, of the institution of higher education. The proper legal status may include Optional Practical Training (OPT) and H1-B/EB-2 visas.

Section 2. Amend Section 8728A, Chapter 87A, Title 29 of the Delaware Code, by making deletions as shown by strike through and insertions as shown by underline as follows:

§ 8728A Fund purposes.

(a) Moneys appropriated to the Fund may be loaned, granted or used in other financing mechanisms by the Authority within the State. The Fund may be used for the following purposes:

(1) Retention and expansion of existing firms;

(2) Recruitment of new firms;

(3) Formation of new businesses; and

(4) Coordinate with Delaware institutions of higher education for any of the purposes set for the in (a) (1), (2), and (3) above. Delaware institutions of higher education participating in the program may identify and sponsor the proper legal status needed by entrepreneurs who are currently graduate students, or who were awarded a graduate degree within the last three years, of the institution of higher education. The proper legal status may include Optional Practical Training (OPT) and H1-B/EB-2 visas.

(45) To the extent provided in subsection (c) of this section, and for 1 or more of the purposes set forth in paragraphs (a)(1) through (3) of this section, environmental assessment and remediation of certified brownfields and subchapter III of this chapter regarding the Delaware Technical Innovative Program.

For purposes other than stated above, the Co-Chairs of the Joint Legislative Committee on the Capital Improvement Program, Director of the Office of Management and Budget and Controller General shall be informed prior to any action by the Division.

(b) Moneys appropriated to the Fund may be used for the following activities:

(1) Working capital;

(2) Renovation, construction or any other type of improvements to roads, utilities and related infrastructure and public facilities;

(3) Assistance for equipment, machinery, land and building acquisition and development;

(4) Assistance with relocation expenses;

(5) Loans or loan guarantees;

(6) Assistance for the development of startup strategies such as seed capital and incubator programs;

52 (7) Assistance for the development of re-use strategies and implementation plans for sites located in the State and
53 targeted for development by the Division;

54 (8) Assistance for the development and implementation of modernization strategies for existing manufacturing
55 firms to strengthen their competitive position in regional, national and international markets; and

56 (9) To develop and implement strategies to maintain or enhance important economic sectors in the State.

57 (c) During any fiscal year of the State, up to \$1,000,000, in aggregate, of the moneys appropriated to the Fund
58 may be used to provide matching grants for the costs of environmental assessment and remediation at certified brownfields.
59 The amount of a matching grant with respect to a certified brownfield shall not exceed the lesser of \$100,000 or 50 percent
60 of environmental assessment and remediation costs with respect to such certified brownfield. For purposes of this
61 subsection, a "certified brownfield" is a brownfield, as defined in § 9103 of Title 7, that the Secretary of the Department of
62 Natural Resources and Environmental Control has certified as a brownfield pursuant to regulations promulgated under §
63 9104(b)(2)p. of Title 7. The Chairperson of the Authority may at any time suspend the making of grants under this
64 subsection if the Chairperson finds that moneys in the Fund would be better used for other Fund purposes consistent with
65 this subchapter, and may resume the making of grants under this subsection at any time after previously suspending the
66 making of such grants.

SYNOPSIS

Both the Delaware Strategic Fund (Title 29, Chapter 87A, Subchapter II) and the Delaware Technical Innovation Fund (Title 29, Chapter 87A, Subchapter III) provide funding for Delaware businesses, including new businesses in growing technology-related fields. The Delaware Strategic Fund is intended to assist in the development of startup strategies such as seed capital and incubator programs. The Delaware Technical Innovation Fund is intended to promote coordination with Delaware's institutions of higher education and the private sector to commercialize innovative products and processes developed by small businesses. This act encourages Delaware's institutions of higher education to assist foreign-born, student entrepreneurs, who are engaged in the development of new businesses and technologies in Delaware, to provide them with assistance in maintaining proper legal status within the United States.

Presently, thirteen universities in six states offer Global Entrepreneur in Residence Programs which have been successful in assisting foreign-born, student entrepreneurs in creating new businesses, new jobs, and attracting additional capital investment for their development and expansion. This act will add a provision comparable to those found in Global Entrepreneur Residence Programs within the existing frameworks provided by the Delaware Strategic Fund and the Delaware Technical Innovation Fund. This will encourage the creation and development of new businesses and new technologies in Delaware, without creating a new program with new funding needs.

Author: Senator McDowell