

Utah Technology Innovation Funding (UTIF) Pilot Announcement

Note to prospective applicants: Please read this announcement carefully and follow all requirements. Applicants submitting proposals that do not adhere to the process outlined in this document will not have their applications reviewed.

OVERVIEW: The Utah Technology Innovation Funding (UTIF) pilot aims to leverage Utah small business success with the federal Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. Two distinct offerings, the SBIR/STTR Microgrants and Gap Funding Nonrecourse Loans for Phase I awardees, maximize the opportunity to bring novel technology and solutions to the marketplace.

Programs:

- 1) **SBIR/STTR Microgrants** to qualified Utah small businesses who work with the Utah Innovation Center to prepare and submit a competitive SBIR/STTR proposal in response to one of the 11 federal participating agencies. This program intends to offset the cost of staff time to develop, write and submit a competitive proposal that can take upwards of 200 hours.

The microgrant is intended for Utah small businesses who are:

- a) Newer to the SBIR/STTR programs,
- b) Have not been awarded a SBIR/STTR grant or contract within the last five years, and
- c) Have not worked with the Utah Innovation Center (formerly Utah SBIR Center) more than once on a previous submission.

Limit of 1 award per company; \$3,000 (\$2,000 additional funding for Women-Owned Small Businesses (WOSBs), Small Disadvantaged Businesses, and rural businesses to promote diversity and assist companies in addressing barriers that have historically caused certain demographics of entrepreneurs to be disadvantaged or underserved in the technology industry, for a total of \$5,000).

- 2) **Gap Funding Nonrecourse Loans** for SBIR/STTR Phase I winners who are preparing a Phase II submission. Winning federal SBIR/STTR funding means a company, team and technology have met rigorous standards and requirements. Qualified Utah small businesses who are awarded SBIR/STTR Phase I funding with a minimum award opportunity of \$100,000 may apply to the Utah Technology Innovation Funding (UTIF) program to receive an amount not to exceed \$50,000 (\$10,000 additional funding for Women-Owned Small Businesses (WOSBs), Small Disadvantaged Businesses, and rural businesses for a total of \$60,000) as a nonrecourse loan to provide gap funding before a Phase II award is received. Limit of 2 nonrecourse loans per company.

ELIGIBILITY

- The company must meet SBA's eligibility requirements for the SBIR/STTR program.
- The company must be Utah-based; i.e. maintain its principal place of business in Utah. To be considered Utah-based, a company must:
 - Be registered with the Utah Division of Corporations as an active for-profit business entity in good standing.
 - Maintain current registration in the System for Award Management (sam.gov) as a Utah for-profit business.
 - Have an active Utah business license.
- **SBIR/STTR Microgrant Program**
 - Applicant must not have been awarded an SBIR/STTR grant or contract within the last five years.
 - Applicant must not have worked with the Utah Innovation Center (formerly Utah SBIR Center) more than once on a previous submission.
- **Gap Funding Nonrecourse Loan Program**
 - Applicant must have won a Phase I SBIR/STTR grant or contract with a minimum \$100,000 award opportunity and submit a corresponding Phase II proposal.
 - Applicant must work with the Utah Innovation Center on the Phase II proposal.
 - The program is limited to Phase I awardees.
- **Additional Funding for Women-Owned Small Businesses (WOSBs) or Small Disadvantaged Businesses**
 - Proof of certification through the SBA
- **Additional Funding for Rural Businesses**
 - Current registration in the System for Award Management (sam.gov) as a Utah business with an address in a county of the third, fourth, fifth or sixth class (which excludes Cache, Davis, Salt Lake, Utah, Washington and Weber Counties).
- Misrepresentation of any kind may result in immediate disqualification.

ADDITIONAL REQUIREMENTS

- Submit the application to the Go Utah Submission Portal at least four (4) weeks prior to the related SBIR/STTR submission deadline. *
- Demonstrate that the project is for innovative technology aligned with the federal agency for which the proposal will be submitted and has promise to win SBIR/STTR funding.
- Work with the Utah Innovation Center on the SBIR/STTR proposal, including submitting drafts of key components for review and editing services prior to submission, attending workshops, or receiving guidance and consultations.

- Submit a competitive SBIR/STTR proposal to the granting or contracting agency at least one day prior to the submission deadline and successfully pass the agency's administrative review.
- Provide the Utah Innovation Center with the email receipt stating that the submission has been accepted by the agency's application system. Provide a copy of the completed proposal to allow Utah Innovation Center staff to verify completeness.
- Limit of one (1) SBIR/STTR microgrant per company.
- Limit of two (2) Gap Funding Nonrecourse Loans per company.
- Funding decisions are final.

** With the initial launch of this pilot program, the four (4) week requirement is waived for companies currently working on Phase I/II proposals with the Utah Innovation Center.*

FUNDING PROCESS

- Applicant will be notified of eligibility decision within ten (10) business days after receipt of application.
- Additional documentation may be required to support the funding request.
- Awards will be dispersed after the SBIR/STTR Phase I/II submission is complete and the Utah Innovation Center receives required documentation.
- Funding will be awarded to eligible companies on a first come, first served basis until funds are exhausted.
- Nonrecourse loan repayment terms will be stipulated in the contract such that:
 - Companies deemed commercially successful shall repay the original loan amount in full to the State of Utah without interest if paid within agreed upon time limit.
 - Companies who do not pay the full amount to the State of Utah within the agreed upon time will be charged an annual interest rate on the remaining balance until it is paid in full.
 - An exception will be in place for companies when it is determined that the technology does not have a viable path to commercialization.
- The Utah Governor's Office of Economic Opportunity and the Utah Innovation Center shall have full control over the use of repaid loan monies. The intent is to have these repaid funds deployed to continue the Utah Technology Innovation Funding program.

Questions regarding this program may be submitted to innovationutah@utah.gov.