

ECONOMIC DEVELOPMENT AUTHORITY[261]

Adopted and Filed

**Rulemaking related to small business innovation research
and technology transfer outreach program**

The Economic Development Authority hereby rescinds Chapter 106, “Small Business Innovation Research and Technology Transfer Outreach Program,” and adopts a new Chapter 106, “Small Business Innovation Research and Technology Transfer Outreach Program (America’s Seed Fund),” Iowa Administrative Code.

Legal Authority for Rulemaking

This rulemaking is adopted under the authority provided in Iowa Code sections 15.106A and 15.411(5).

State or Federal Law Implemented

This rulemaking implements, in whole or in part, Iowa Code section 15.411(3).

Purpose and Summary

Pursuant to Executive Order 10, the Authority is rescinding Chapter 106 and adopting a new chapter in lieu thereof. The chapter describes the policies and procedures applicable to the Small Business Innovation Research and Technology Transfer Outreach Program, known as America’s Seed Fund, established pursuant to Iowa Code section 15.411. The program provides technical and financial assistance for applicants for federal grant and contract awards. The updated chapter is clearer and more concise throughout and omits language that repeats statutory language. Current policies for the disbursement of funds have been incorporated into the new chapter.

Public Comment and Changes to Rulemaking

Notice of Intended Action for this rulemaking was published in the Iowa Administrative Bulletin on December 24, 2025, as **ARC 9831C**. A public hearing was held on the following date(s):

- January 13, 2026
- January 15, 2026

No one attended the public hearings. No public comments were received. No changes from the Notice have been made.

Adoption of Rulemaking

This rulemaking was adopted by the Authority Board on February 20, 2026.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rulemaking, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rulemaking would result in hardship or injustice to that person may petition the Authority for a waiver of the discretionary provisions, if any, pursuant to 261—Chapter 199.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rulemaking by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rulemaking at its [regular monthly meeting](#) or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in Iowa Code section 17A.8(6).

Effective Date

This rulemaking will become effective on April 22, 2026.

The following rulemaking action is adopted:

ITEM 1. Rescind 261—Chapter 106 and adopt the following **new** chapter in lieu thereof:

CHAPTER 106
SMALL BUSINESS INNOVATION RESEARCH AND TECHNOLOGY
TRANSFER OUTREACH PROGRAM (AMERICA'S SEED FUND)

261—106.1(15) Definitions. As used in this chapter unless the context otherwise requires:

“*Applicant*” means a business applying to the authority for assistance under the program.

“*Assistance*” means technical and financial assistance available under the program.

“*Authority*” means the economic development authority created in Iowa Code section 15.105.

“*Award*” means SBIR/STTR grant or contract funds awarded by federal agencies.

“*Board*” means the same as defined in Iowa Code section 15.102.

“*Committee*” means the technology commercialization committee established by the board pursuant to Iowa Code section 15.116.

“*Corporation*” means the bioscience development corporation established pursuant to Iowa Code section 15.107.

“*Eligible applicant*” means a business meeting the criteria in rule 261—106.2(15).

“*Financial assistance*” means assistance provided only from the funds, rights, and assets legally available to the authority and includes but is not limited to assistance in the form of grants, loans, forgivable loans, and royalty agreements.

“*Innovative business*” means the same as defined in Iowa Code section 15E.52(1) “c.”

“*Phase II award*” means an award that provides funding to continue research and development funded with a prior award.

“*Program*” means the small business innovation research and technology transfer outreach program established pursuant to Iowa Code section 15.411 and this chapter.

“*SBIR/STTR*” means the federal Small Business Innovation Research and Small Business Technology Transfer Programs known as America's seed fund.

261—106.2(15) Eligibility requirements. To be eligible for the program, an applicant must meet the following requirements:

1. Meet the small business requirements defined by the federal Small Business Administration (SBA).
2. Be an innovative business;
3. Have a reasonable likelihood of receiving an award;
4. Be likely to stimulate subsequent investment by industry, venture capital, and other sources; and
5. Be likely to commercialize promising technology.

261—106.3(15) Program benefits, application procedures, and delegation of functions.

106.3(1) Technical assistance.

- a. Technical assistance provided by the authority under the program may include the following:

(1) Detailed outlines and other tools to facilitate drafting of a proposal and gathering accompanying documentation.

(2) Reviews and critiques of proposal drafts.

(3) Evaluation of budgets and budget justifications.

(4) Assistance with the electronic registrations and the application submission process.

b. To facilitate technical assistance, applicants shall submit pre-proposal documents to the authority that demonstrate a customized strategy for application for an award consistent with the requirements for the relevant rules and regulations of each applicable federal agency.

106.3(2) *Application for financial assistance and award procedures.* Eligible applicants may submit applications to the authority for financial assistance. Authority staff will confirm program eligibility before forwarding an application to the committee for a recommendation on financial assistance. The committee will provide its recommendation to the board. The board may approve, deny, or defer each application for financial assistance. The board will consider applications for financial assistance on a first-come, first-served basis. The board may award up to \$75,000 in financial assistance, to be disbursed as indicated in subrule 106.4(3).

106.3(3) *Delegation of certain administrative functions to the corporation.* The authority may delegate certain administrative functions of the program to the corporation.

106.3(4) *Administrative functions not delegated.* The authority will retain, and not delegate, the performance of the following functions:

a. The final determination as to whether to approve, deny, or defer an award of financial assistance;

b. The disbursement of moneys provided for in an award of financial assistance; and

c. The final determination as to whether there is a default in the terms of an agreement entered into under the program, including all decisions regarding appropriate remedies for such a default.

261—106.4(15) Agreement and report information required.

106.4(1) *Agreement required.* An applicant awarded financial assistance under the program shall enter into an agreement with the authority that includes all terms and conditions for receipt of funds. The authority will make the final determination as to compliance with the terms of the agreement and as to whether and when to disburse funds to the applicant.

106.4(2) *Reporting information required.* An applicant may be required to submit all information necessary for the authority to compile a report on the results of the program.

106.4(3) *Disbursement.* Up to \$50,000 in financial assistance may be disbursed to an eligible applicant upon receipt of an award. Up to \$25,000 in financial assistance may be disbursed to an eligible applicant at the time the eligible applicant submits a proposal for a phase II award.

These rules are intended to implement Iowa Code section 15.411.

[Filed 2/26/26, effective 4/22/26]

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EDITOR'S NOTE: For replacement pages for IAC, see IAC Supplement 3/18/26.