

15E.362 Entrepreneur investment awards program.

1. For purposes of [this subchapter](#), unless the context otherwise requires:
 - a. “*Business development services*” includes but is not limited to corporate development services, business model development services, business planning services, marketing services, financial strategies and management services, mentoring and management coaching, and networking services.
 - b. “*Eligible entrepreneurial assistance provider*” means a person meeting the requirements of [subsection 3](#).
 - c. “*Financial assistance*” means the same as defined in [section 15.327](#).
 - d. “*Program*” means the entrepreneur investment awards program administered pursuant to [this subchapter](#).
2. The authority shall establish and administer an entrepreneur investment awards program for purposes of providing financial assistance to eligible entrepreneurial assistance providers that provide technical and financial assistance to entrepreneurs and start-up companies seeking to create, locate, or expand a business in the state. Financial assistance under the program shall be provided from the entrepreneur investment awards program fund created in [section 15E.363](#).
3. In order to be eligible for financial assistance under the program an entrepreneurial assistance provider must meet all of the following requirements:
 - a. The provider must have its principal place of operations located in this state.
 - b. The provider must offer a comprehensive set of business development services to emerging and early-stage innovation companies to assist in the creation, location, growth, and long-term success of the company in this state.
 - c. The business development services may be performed at the physical location of the provider or the company.
 - d. The business development services may be provided in consideration of equity participation in the company, a fee for services, a membership agreement with the company, or any combination thereof.
4. Entrepreneurial assistance providers may apply for financial assistance under the program in the manner and form prescribed by the authority.
5. The economic development authority board in its discretion may approve, deny, or defer each application for financial assistance under the program from persons it determines to be an eligible entrepreneurial assistance provider.
6. Subject to [subsection 7](#), the amount of financial assistance awarded to an eligible entrepreneurial assistance provider shall be within the discretion of the authority.
7.
 - a. The maximum amount of financial assistance awarded to an eligible entrepreneurial assistance provider shall not exceed two hundred thousand dollars.
 - b. The maximum amount of financial assistance provided under the program shall not exceed one million dollars in a fiscal year.
8. The authority shall award financial assistance on a competitive basis. In making awards of financial assistance, the authority may develop scoring criteria and establish minimum requirements for the receipt of financial assistance under the program. In making awards of financial assistance, the authority may consider all of the following:
 - a. The business experience of the professional staff employed or retained by the eligible entrepreneurial assistance provider.
 - b. The business plan review capacity of the professional staff of the eligible entrepreneurial assistance provider.
 - c. The expertise in all aspects of business disciplines of the professional staff of the eligible entrepreneurial assistance provider.
 - d. The access of the eligible entrepreneurial assistance provider to external service providers, including legal, accounting, marketing, and financial services.
 - e. The service model and likelihood of success of the eligible entrepreneurial assistance provider and its similarity to other successful entrepreneurial assistance providers in the country.
 - f. The financial need of the eligible entrepreneurial assistance provider.

9. Financial assistance awarded to an eligible entrepreneurial assistance provider shall only be used for the purpose of operating costs incurred by the eligible entrepreneurial assistance provider in providing business development services to emerging and early-stage innovation companies in this state. Such financial assistance shall not be distributed to owners or investors of the company to which business development services are provided and shall not be distributed to other persons assisting with the provision of business development services to the company.

10. The authority may contract with outside service providers for assistance with the program or may delegate the administration of the program to the bioscience development corporation pursuant to [section 15.106B](#).

11. The authority may make client referrals to eligible entrepreneurial assistance providers.

[2012 Acts, ch 1126, §21](#); [2015 Acts, ch 138, §83, 161, 162](#); [2017 Acts, ch 54, §76](#); [2020 Acts, ch 1062, §6](#)

Referred to in [§15.106B, 15E.42](#)
Subsection 10 amended