

**DRAFT ONLY  
NOT APPROVED FOR  
INTRODUCTION**

SENATE FILE NO. \_\_\_\_\_

Wyoming new product innovation assistance program.

Sponsored by: Joint Minerals, Business and Economic  
Development Interim Committee

A BILL

for

1 AN ACT relating to economic development; creating the  
2 Wyoming new product innovation assistance program;  
3 providing definitions; providing eligibility requirements;  
4 requiring a report; creating the Wyoming new product  
5 innovation assistance program account; providing for a  
6 continuous appropriation; authorizing rulemaking; providing  
7 an appropriation; and providing for an effective date.

8

9 *Be It Enacted by the Legislature of the State of Wyoming:*

10

11 **Section 1.** W.S. 9-12-1401 through 9-12-1405 are  
12 created to read:

13

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23

ARTICLE 14

WYOMING NEW PRODUCT INNOVATION ASSISTANCE PROGRAM

**9-12-1401. Short title.**

This article shall be known and may be cited as the "Wyoming new product innovation assistance program."

**9-12-1402. Definitions.**

(a) As used in this article:

(i) "Account" means the new product innovation assistance program account;

(ii) "Board" means the board of directors of the council;

(iii) "Business" means an existing for-profit Wyoming business which manufactures or adds value to projects and meets any one (1) of the following:

(A) Is headquartered in Wyoming;

1                   (B) Has at least sixty percent (60%) of its  
2 employees assigned to facilities in Wyoming;

3

4                   (C) Has committed in writing to the council  
5 that it will relocate its workforce to have at least sixty  
6 percent (60%) of the employees in Wyoming before any  
7 contract under this article is executed.

8

9                   (iv) "Council" means the Wyoming business  
10 council;

11

12                   (v) "Investments" means monetary expenditures  
13 limited to:

14

15                   (A) The development of a proof of concept  
16 involving a new product;

17

18                   (B) Expenditures involved in bringing a new  
19 product to market.

20

21                   (vi) "Panel" means an independent group of  
22 experts from various fields, recruited by the council to

1 evaluate the potential for commercialization of any product  
2 for which the business seeks assistance;

3

4 (vii) "Program" means the Wyoming new product  
5 innovation assistance program;

6

7 (viii) "Qualified product" means a product not  
8 replicated in the market place that provides a significant  
9 improvement to the existing competitive products it will  
10 compete with;

11

12 (ix) "Royalty" means a percentage of the sales  
13 price of the developed product paid to the state of Wyoming  
14 after commercialization of the product.

15

16 **9-12-1403. Wyoming new product innovation assistance**  
17 **program; eligibility.**

18

19 (a) There is created the Wyoming new product  
20 innovation assistance program. The program shall encourage  
21 the manufacture and marketing of new products to develop  
22 higher paying jobs, economic diversification, increase

1 economic activity, augment sources of tax revenue and  
2 foster economic stability within the state of Wyoming.

3

4 (b) The council shall accept applications for the  
5 program quarterly.

6

7 (c) The panel shall review the applications to  
8 determine:

9

10 (i) The commercial viability of the potential  
11 product or service;

12

13 (ii) The potential for the business to develop  
14 or add value to a unique and competitive product,  
15 technology or process that can be protected and sold in the  
16 market place;

17

18 (iii) If the business has provided documentation  
19 of its ability and plan to provide the matching investment  
20 and reimbursement.

21

22 (d) Upon completion of its review, the panel shall  
23 submit its recommendation to the board.

1

2 (e) The board shall determine which businesses shall  
3 be offered a contract.

4

5 (f) The council, through approval of its board, may  
6 contract with a business to:

7

8 (i) Award phase I assistance for the development  
9 of a proof of concept product, in an amount not to exceed  
10 half (1/2) of the cost or twenty-five thousand dollars  
11 (\$25,000.00), whichever is less;

12

13 (ii) Award phase II assistance of the cost of  
14 bringing the product to market in an amount not to exceed  
15 half (1/2) of the cost or one hundred thousand dollars  
16 (\$100,000.00), whichever is less.

17

18 (g) The contract shall provide for a repayment plan  
19 to the state of Wyoming based on royalties produced by the  
20 product which shall total one hundred twenty-five percent  
21 (125%) of the state's investment.

22

1           (h) The contract shall require a dollar for dollar  
2 cash match by the business.

3

4           **9-12-1404. Program account.**

5

6           (a) There is created the Wyoming new product  
7 innovation assistance program account. Funds shall be  
8 credited to the account as provided by law. Funds in the  
9 account are appropriated to the council to be used only for  
10 investments authorized to be made under this article.

11

12           (b) All repayments of principal, through royalties,  
13 to the state in connection with investments made under this  
14 article and other funds as appropriated by the legislature  
15 for the new product innovation assistance program shall be  
16 deposited into the new product innovation assistance  
17 program account. All funds in the account may be used and  
18 are continuously appropriated for investment authorized to  
19 be made under this article. The total principal balance of  
20 outstanding investments shall not exceed the amounts  
21 appropriated by the legislature plus royalties collected in  
22 excess of the initial investment less any losses of base  
23 investments.

1

2 (c) Accrued interest and other earnings on unexpended  
3 funds within the account shall be credited to the Wyoming  
4 new product innovation assistance program account.

5

6 **9-12-1405. Rules and regulations; fraudulent claims;**  
7 **reporting.**

8

9 (a) The council may adopt rules and regulations to  
10 implement this article, including, but not limited to, the  
11 application process, match requirements, repayment, project  
12 evaluation, requirements for the contract process, records  
13 required for submission for investment and determination of  
14 and qualifications for investment.

15

16 (b) A business that obtains investments under this  
17 article through an application that is fraudulent is liable  
18 for reimbursement of the amount invested plus an amount  
19 double the investment plus any costs incurred by the state  
20 of Wyoming during the application process. The amounts  
21 under this subsection are in addition to any criminal  
22 penalty for which the business is liable for the same acts.  
23 The business shall also be liable for costs and fees

1 incurred by the state in investigating and prosecuting the  
2 fraudulent application.

3

4 (c) The council shall submit an annual report to the  
5 governor and the joint minerals, business and economic  
6 development interim committee by November 1 each year. The  
7 report shall include the following information on  
8 businesses participating in the program:

9

10 (i) The number of businesses participating;

11

12 (ii) The location of the businesses;

13

14 (iii) The performance of each business;

15

16 (iv) The amount of investments made by the  
17 council;

18

19 (v) The total return on each investment made by  
20 the council;

21

22 (vi) The gross number of jobs created by the  
23 businesses;

1

2 (vii) Any other information necessary to

3 evaluate this program.

4

5 **Section 2.**

6

7 There is appropriated one million dollars (\$1,000,000.00)  
8 from the general fund to the Wyoming new product innovation  
9 assistance program account. This appropriation shall only  
10 be expended for the purpose of funding the Wyoming new  
11 product innovation assistance program. This appropriation  
12 shall not be included in the Wyoming business council's  
13 2013-2014 standard biennial budget request.

14

15 **Section 3.** This act is effective July 1, 2011.

16

17

(END)