

08 - 0142

January 29, 2008

The Honorable James Metzen  
President of the Senate  
Minnesota Senate  
322 Capitol  
St. Paul, MN 55155

Dear Senator Metzen:

This letter is in response to language passed in the 2007 Session Laws, Chapter 135, Article 1, Section 3, Subdivision 2(e), concerning the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs. The language requires DEED to submit, by February 1, 2008, a recommended fee schedule to both house and state economic development finance chairs.

In 2007, a number of workshops were hosted by the SBIR/STTR Assistance Program. Approximately 125 participants attended the workshops and approximately \$5,200 in fees was collected. Approximately \$300 of fees collected were used to cover program costs. Those fees were put into a revolving account and are available to provide additional services. Estimated revenues through the end of FY 2008 are \$10,000.

Areas of critical interest that were presented were protecting intellectual property, addressing federal accounting requirements, developing technology commercialization plans, financing clinical trials, submitting the FDA application, preparing presentations to venture capitalists and angel investors, developing collaborative partnerships and preparing for the audit.

During the 2008 session, DEED may propose legislative changes which would modify the language to more precisely describe how fees can be generated.

Please let me know if you have any questions. I can be reached at 651-259-7119. We are committed to increasing the flow of federal funds to Minnesota.

Sincerely,



Dan McElroy  
Commissioner

Cc: Rep. Tom Rukavina  
Sen. David Tomassoni