



28           ~~[(a)]~~ (i) to encourage the availability of a wide variety of venture capital in the state;

29           ~~[(b)]~~ (ii) to strengthen the economy of the state;

30           ~~[(c)]~~ (iii) to help business in the state gain access to sources of capital;

31           ~~[(d)]~~ (iv) to help build a significant, permanent source of capital available to serve the  
32 needs of businesses in the state; and

33           ~~[(e)]~~ (v) to accomplish all these benefits in a way that minimizes the use of contingent  
34 tax credits.

35           (b) A business relationship or dealing with a local, state, or federal public entity does  
36 not preclude a private seed or venture capital partnership or entity from receiving an investment  
37 under Subsection (2)(a).

38           (3) The Utah fund of funds shall be organized:

39           (a) as a limited partnership or limited liability company under Utah law having the  
40 corporation as the general partner or manager; and

41           (b) to provide for equity interests for designated investors which provide for a  
42 designated scheduled rate of return and a scheduled redemption in accordance with rules made  
43 by the board pursuant to Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

44           (4) Public money may not be invested in the Utah fund of funds.

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**Legislative Review Note**  
**as of 12-17-04 9:46 AM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

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**Fiscal Note**  
**Bill Number SB0035**

**Venture Capital Funding Amendments**

*12-Jan-05*

*2:53 PM*

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**State Impact**

No fiscal impact.

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**Individual and Business Impact**

No fiscal impact.

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**Office of the Legislative Fiscal Analyst**