

Senator David L. Thomas proposes the following substitute bill:

RELATIONSHIPS WITH VENTURE CAPITAL ENTITIES

2005 GENERAL SESSION

STATE OF UTAH

Sponsor: David L. Thomas

LONG TITLE

General Description:

This bill clarifies relationships between higher education institutions and venture capital entities.

Highlighted Provisions:

This bill:

- ▶ provides that a state institution of higher education may enter into a business relationship or dealing with a private seed or venture capital partnership or entity;

and

- ▶ provides that the business relationship or dealing does not preclude the private entity or partnership from receiving benefits from a venture capital program authorized or sanctioned by state law.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

53B-2-101, as last amended by Chapter 7, Laws of Utah 2000



26 *Be it enacted by the Legislature of the state of Utah:*

27 Section 1. Section **53B-2-101** is amended to read:

28 **53B-2-101. Institutions of higher education -- Corporate bodies -- Powers.**

29 (1) The following institutions of higher education are bodies politic and corporate with
30 perpetual succession and with all rights, immunities, and franchises necessary to function as
31 such:

- 32 (a) the University of Utah;
- 33 (b) Utah State University;
- 34 (c) Weber State University;
- 35 (d) Southern Utah University;
- 36 (e) Snow College;
- 37 (f) Dixie State College of Utah;
- 38 (g) the College of Eastern Utah;
- 39 (h) Utah Valley State College; and
- 40 (i) Salt Lake Community College.

41 (2) (a) Each institution may have and use a corporate seal and may, subject to Section
42 53B-20-103, take, hold, lease, sell, and convey real and personal property as the interest of the
43 institution requires.

44 (b) Each institution is vested with all the property, franchises, and endowments of, and
45 is subject to, all the contracts, obligations, and liabilities of its respective predecessor.

46 (c) (i) Each institution may enter into business relationships or dealings with private
47 seed or venture capital entities or partnerships consistent with Utah Constitution Article VI,
48 Section 29, Subsection (2).

49 (ii) A business dealing or relationship entered into under Subsection (c)(i) does not
50 preclude the private entity or partnership from participating in or receiving benefits from a
51 venture capital program authorized or sanctioned by the laws of this state, unless otherwise
52 precluded by the specific law that authorizes or sanctions the program.

Fiscal Note
Bill Number SB0035s01

Relationships With Venture Capital Entities

31-Jan-05

10:23 AM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst