

SB0218S02 compared with SB0218S01

~~{deleted text}~~ shows text that was in SB0218S01 but was deleted in SB0218S02.

inserted text shows text that was not in SB0218S01 but was inserted into SB0218S02.

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~~{Senator Scott D. Sandall}~~Representative Steve Waldrip proposes the following substitute bill:

FUND OF FUNDS MODIFICATIONS

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: ~~{~~ Steve Waldrip

LONG TITLE

General Description:

This bill relates to the Utah Capital Investment Corporation and the ~~{Fund}~~Utah fund of ~~{Funds}~~funds.

Highlighted Provisions:

This bill:

~~{~~ defines terms;

~~}~~ repeals the Utah Capital Investment Board;

modifies and repeals certain provisions relating to the Utah Capital Investment Corporation and the ~~{Fund}~~Utah fund of ~~{Funds, except that:~~

funds to begin the process of winding up the affairs of those entities;

modifies the Utah Capital Investment Restricted Account ~~{remains intact, but is~~

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~~modified~~ } to accept funds ~~{paid}~~ disbursed to the state by the Utah Capital Investment Corporation or the ~~{Fund}~~ Utah fund of ~~{Funds}~~ funds;

~~{~~ ~~•~~ ~~provides for the Utah Capital Investment Corporation to convert from an independent quasi-public non-profit corporation to a private non-profit corporation;~~

~~•~~ ~~provides for the continued operation of the Fund of Funds until certain criteria are met;~~

~~•~~ ~~provides for the payment of funds to the state, the investment of funds on behalf of the state, and the disbursement of proceeds from the investments to the state;~~

~~•~~ ~~provides for payment for the costs and services relating to the investments, funds, and proceeds;~~ ▶ exempts the Utah fund of funds from the Utah

Money Management Act; and

▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

~~{~~ ~~None}~~ This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

~~{63E-1-102}~~ 51-7-2, as last amended by Laws of Utah ~~{2018}~~ 2021, Chapter ~~{393}~~ 33

~~{63J-7-102}~~ 63N-6-103, as last amended by Laws of Utah ~~{2018}~~ 2021, Chapter ~~{415}~~ 438

63N-6-204, as enacted by Laws of Utah 2021, Chapter 438

~~{67-3-12}~~ 63N-6-301, as last amended by Laws of Utah 2021, Chapter ~~{398 and~~ renumbered and amended by Laws of Utah 2021, Chapter 84 and last amended by Coordination Clause, Laws of Utah 2021, Chapter 398

ENACTS:

~~63N-6-307~~, Utah Code Annotated 1953

REPEALS AND REENACTS:

~~63N-6-103}~~ 438

63N-6-303, as last amended by Laws of Utah 2021, Chapter 438

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63N-6-305, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-401, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-402, as last amended by Laws of Utah 2021, Chapter 438

63N-6-404, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-405, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-410, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283

REPEALS:

63N-6-101, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-102, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-201, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-202, as last amended by Laws of Utah 2019, Chapter 136

63N-6-203, as last amended by Laws of Utah 2019, Chapter 214

63N-6-302, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-304, as renumbered and amended by Laws of Utah 2015, Chapter 283

63N-6-306, as renumbered and amended by Laws of Utah 2015, Chapter 283

{REPEALS:

~~63N-6-101, as renumbered and amended by Laws of Utah 2015, Chapter 283~~

~~63N-6-102, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283~~

~~63N-6-201, as renumbered and amended by Laws of Utah 2015, Chapter 283~~

~~63N-6-202, as last amended by Laws of Utah 2019, Chapter 136~~

~~63N-6-203, as last amended by Laws of Utah 2019, Chapter 214~~

~~63N-6-301, as last amended by Laws of Utah 2021, Chapter 438~~

~~63N-6-302, as renumbered and amended by Laws of Utah 2015, Chapter 283~~

~~63N-6-303, as last amended by Laws of Utah 2021, Chapter 438~~

~~63N-6-304, as renumbered and amended by Laws of Utah 2015, Chapter 283~~

~~63N-6-305, as renumbered and amended by Laws of Utah 2015, Chapter 283~~

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- ~~63N-6-401, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283~~
 - ~~63N-6-402, as last amended by Laws of Utah 2021, Chapter 438~~
 - ‡ 63N-6-403, as renumbered and amended by Laws of Utah 2015, Chapter 283
 - ~~63N-6-404, as renumbered and amended by Laws of Utah 2015, Chapter 283~~
 - ~~63N-6-405, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283~~
 - ‡ 63N-6-406, as last amended by Laws of Utah 2021, Chapter 438
 - 63N-6-407, as renumbered and amended by Laws of Utah 2015, Chapter 283
 - 63N-6-408, as renumbered and amended by Laws of Utah 2015, Chapter 283
 - 63N-6-409, as renumbered and amended by Laws of Utah 2015, Chapter 283
 - ~~63N-6-410, as last amended by Laws of Utah 2015, Chapter 420 and renumbered and amended by Laws of Utah 2015, Chapter 283~~
 - ‡ 63N-6-411, as renumbered and amended by Laws of Utah 2015, Chapter 283
 - ~~63N-6-412, as renumbered and amended by Laws of Utah 2015, Chapter 283~~
-

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

Section 1. Section 51-7-2 is amended to read:

51-7-2. Exemptions from chapter.

The following funds are exempt from this chapter:

- (1) funds invested in accordance with the participating employees' designation or direction pursuant to a public employees' deferred compensation plan established and operated in compliance with Section 457 of the Internal Revenue Code of 1986, as amended;
- (2) funds of the Utah State Retirement Board;
- (3) funds of the Utah Housing Corporation;
- (4) endowment funds of higher education institutions;
- (5) permanent and other land grant trust funds established pursuant to the Utah Enabling Act and the Utah Constitution;
- (6) the State Post-Retirement Benefits Trust Fund;
- (7) the funds of the Utah Educational Savings Plan;
- (8) funds of the permanent state trust fund created by and operated under Utah

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Constitution, Article XXII, Section 4;

- (9) the funds in the Navajo Trust Fund;
- (10) the funds in the Radioactive Waste Perpetual Care and Maintenance Account;
- (11) the funds in the Employers' Reinsurance Fund;
- (12) the funds in the Uninsured Employers' Fund;
- (13) the Utah State Developmental Center Long-Term Sustainability Fund, created in

Section 62A-5-206.7; and

- (14) the funds in the Risk Management Fund created in Section 63A-4-201.

~~Section 1. Section 63E-1-102 is amended to read:~~

~~**63E-1-102. Definitions -- List of independent entities.**~~

~~As used in this title:~~

~~(1) "Authorizing statute" means the statute creating an entity as an independent entity.~~

~~(2) "Committee" means the Retirement and Independent Entities Committee created by Section 63E-1-201.~~

~~(3) "Independent corporation" means a corporation incorporated in accordance with Chapter 2, Independent Corporations Act.~~

~~(4) (a) "Independent entity" means an entity having a public purpose relating to the state or its citizens that is individually created by the state or is given by the state the right to exist and conduct its affairs as an:~~

~~(i) independent state agency; or~~

~~(ii) independent corporation.~~

~~(b) "Independent entity" includes the:~~

~~(i) Utah Beef Council, created by Section 4-21-103;~~

~~(ii) Utah Dairy Commission created by Section 4-22-103;~~

~~(iii) Heber Valley Historic Railroad Authority created by Section 63H-4-102;~~

~~(iv) Utah State Railroad Museum Authority created by Section 63H-5-102;~~

~~(v) Utah Housing Corporation created by Section 63H-8-201;~~

~~(vi) Utah State Fair Corporation created by Section 63H-6-103;~~

~~(vii) Utah State Retirement Office created by Section 49-11-201;~~

~~(viii) School and Institutional Trust Lands Administration created by Section 53C-1-201;~~

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- ~~—— (ix) School and Institutional Trust Fund Office created by Section 53D-1-201;~~
- ~~—— (x) Utah Communications Authority created by Section 63H-7a-201;~~
- ~~—— (xi) Utah Energy Infrastructure Authority created by Section 63H-2-201; and~~
- ~~—— [(xii) Utah Capital Investment Corporation created by Section 63N-6-301; and]~~
- ~~—— [(xiii)] (xii) Military Installation Development Authority created by Section 63H-1-201.~~
- ~~—— (c) Notwithstanding this Subsection (4), "independent entity" does not include:~~
- ~~—— (i) the Public Service Commission of Utah created by Section 54-1-1;~~
- ~~—— (ii) an institution within the state system of higher education;~~
- ~~—— (iii) a city, county, or town;~~
- ~~—— (iv) a local school district;~~
- ~~—— (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local Districts; or~~
- ~~—— (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.~~
- ~~—— (5) "Independent state agency" means an entity that is created by the state, but is independent of the governor's direct supervisory control.~~
- ~~—— (6) "Money held in trust" means money maintained for the benefit of:~~
- ~~—— (a) one or more private individuals, including public employees;~~
- ~~—— (b) one or more public or private entities; or~~
- ~~—— (c) the owners of a quasi-public corporation.~~
- ~~—— (7) "Public corporation" means an artificial person, public in ownership, individually created by the state as a body politic and corporate for the administration of a public purpose relating to the state or its citizens.~~
- ~~—— (8) "Quasi-public corporation" means an artificial person, private in ownership, individually created as a corporation by the state, which has accepted from the state the grant of a franchise or contract involving the performance of a public purpose relating to the state or its citizens.~~
- ~~—— Section 2. Section **63J-7-102** is amended to read:~~
- ~~—— **63J-7-102. Scope and applicability of chapter.**~~
- ~~—— (1) Except as provided in Subsection (2), and except as otherwise provided by a statute superseding provisions of this chapter by explicit reference to this chapter, the provisions of~~

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~~this chapter apply to each agency and govern each grant received on or after May 5, 2008.~~

- ~~—— (2) This chapter does not govern:~~
- ~~—— (a) a grant deposited into a General Fund restricted account;~~
- ~~—— (b) a grant deposited into a Trust and Agency Fund as defined in Section 51-5-4;~~
- ~~—— (c) a grant deposited into an Enterprise Fund as defined in Section 51-5-4;~~
- ~~—— (d) a grant made to the state without a restriction or other designated purpose that is deposited into the General Fund as free revenue;~~
- ~~—— (e) a grant made to the state that is restricted only to "education" and that is deposited into the Education Fund or Uniform School Fund as free revenue;~~
- ~~—— (f) in-kind donations;~~
- ~~—— (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state when required by state law or application of state law;~~
- ~~—— (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax Contribution Act;~~
- ~~—— (i) a grant received by an agency from another agency or political subdivision;~~
- ~~—— (j) a grant to the Utah Dairy Commission created in Section 4-22-103;~~
- ~~—— (k) a grant to the Heber Valley Historic Railroad Authority created in Section 63H-4-102;~~
- ~~—— (l) a grant to the Utah State Railroad Museum Authority created in Section 63H-5-102;~~
- ~~—— (m) a grant to the Utah Housing Corporation created in Section 63H-8-201;~~
- ~~—— (n) a grant to the Utah State Fair Corporation created in Section 63H-6-103;~~
- ~~—— (o) a grant to the Utah State Retirement Office created in Section 49-11-201;~~
- ~~—— (p) a grant to the School and Institutional Trust Lands Administration created in Section 53C-1-201;~~
- ~~—— (q) a grant to the Utah Communications Authority created in Section 63H-7a-201;~~
- ~~—— (r) a grant to the Medical Education Program created in Section 53B-24-202;~~
- ~~—— [(s) a grant to the Utah Capital Investment Corporation} [:-]; and~~
- ~~—— [(t)] (s) a grant to the Utah Charter School Finance Authority created in Section 53G-5-602;~~
- ~~—— [(u)] (t) a grant to the State Building Ownership Authority created in Section~~

(15) the Utah fund of funds created in Section ~~{63N-6-301;}~~

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~~63B-1-304; or~~

~~— [(v)] (u) a grant to the Military Installation Development Authority created in Section 63H-1-201.~~

~~— (3) An agency need not seek legislative review or approval of grants under Part 2, Grant Approval Requirements, if:~~

~~— (a) the governor has declared a state of emergency; and~~

~~— (b) the grant is donated to the agency to assist victims of the state of emergency under Subsection 53-2a-204(1).~~

~~— Section 3} 63N-6-401.~~

Section 2. Section **63N-6-103** is ~~{repealed and reenacted to read:~~

~~— **63N-6-103. Definitions:**~~

~~— As used in this chapter:~~

~~— (1) "Date of transition" means December 31, 2022, the day on which the Utah Capital Investment Corporation, under Section 63N-6-306, ceases to be an independent quasi-public entity.~~

~~— (2) "Fund of Funds" means the Utah Fund of Funds LLC, a Utah limited liability company, or the entity that is the successor to the Utah Fund of Funds LLC in holding the original assets and subsequent investments.~~

~~— (3) "Original assets" means all assets held by the Utah Capital Investment Corporation or the Fund of Funds on the date of transition, including all cash, cash equivalents; investments, and other assets.~~

~~— (4) "Manager" means Utah Capital Investment Corporation or, if applicable, an entity reasonably acceptable to the state, as represented by the state treasurer, that replaces Utah Capital Investment Corporation as a manager or general partner of the Fund of Funds.~~

~~— (5) "Original investments" means all investments that, on the date of transition:~~

~~— (a) (i) are held by the Fund of Funds or the Utah Capital Investment Corporation; or~~

~~— (ii) are subject to outstanding commitments to invest via the Fund of Funds or the Utah Capital Investment Corporation; and~~

~~— (b) are not cash, cash equivalents, or marketable securities.~~

~~— (6) "Restricted account" means the Utah Capital Investment Restricted Account created in Section 63N-6-204.~~

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~~(7) "Subsequent investments" means all investments made by the Fund of Funds after the date of transition that are not original investments.~~

~~(8) "Utah Capital Investment Corporation" means:~~

~~(a) before the date of transition, the independent quasi-public entity known as the Utah Capital Investment Corporation; or~~

~~(b) on or after the date of transition, the private non-profit corporation described in Section 63N-6-306 that succeeds the entity described in Subsection (8)(a).~~

amended to read:

63N-6-103. Definitions.

As used in this part:

(1) "Board" means the ~~Utah Capital Investment Board~~ board of directors of the corporation.

~~(2) "Certificate" means a contract between the board and a designated investor under which a contingent tax credit is available and issued to the designated investor.~~

~~(3) (a) Except as provided in Subsection (3)(b), "claimant" means a resident or nonresident person.~~

~~(b) "Claimant" does not include an estate or trust.~~

~~(4) "Commitment" means a written commitment by a designated purchaser to purchase from the board certificates presented to the board for redemption by a designated investor. Each commitment shall state the dollar amount of contingent tax credits that the designated purchaser has committed to purchase from the board.~~

~~(5) "Contingent tax credit" means a contingent tax credit issued under this part that is available against tax liabilities imposed by Title 59, Chapter 7, Corporate Franchise and Income Taxes, or Title 59, Chapter 10, Individual Income Tax Act, if there are insufficient funds in the redemption reserve and the board has not exercised other options for redemption under Subsection 63N-6-408(3)(b).~~

~~(6)~~ (2) "Corporation" means the Utah Capital Investment Corporation created under Section 63N-6-301.

~~(7) "Designated investor" means:~~

~~(a) a person who makes a private investment; or~~

~~(b) a transferee of a certificate or contingent tax credit.~~

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~~[(8) "Designated purchaser" means:]~~

~~[(a) a person who enters into a written undertaking with the board to purchase a commitment; or]~~

~~[(b) a transferee who assumes the obligations to make the purchase described in the commitment.]~~

~~[(9) "Estate" means a nonresident estate or a resident estate.]~~

~~[(10) "Person" means an individual, partnership, limited liability company, corporation, association, organization, business trust, estate, trust, or any other legal or commercial entity.]~~

~~[(11) "Private investment" means:]~~

~~[(a) an equity interest in the Utah fund of funds; or]~~

~~[(b) a loan to the Utah fund of funds initiated before July 1, 2014, including a loan that was originated before July 1, 2014, and that is refinanced one or more times on or after July 1, 2014.]~~

~~[(12) "Redemption reserve" means the reserve established by the corporation to:]~~

~~[(a) facilitate the cash redemption of certificates; and]~~

~~[(b) provide money for the state as directed by statute.]~~

~~[(13)]~~ (3) "Restricted account" means the Utah Capital Investment Restricted Account created in Section 63N-6-204.

~~[(14) "Taxpayer" means a taxpayer:]~~

~~[(a) of an investor; and]~~

~~[(b) if that taxpayer is a:]~~

~~[(i) claimant;]~~

~~[(ii) estate; or]~~

~~[(iii) trust.]~~

~~[(15) "Trust" means a nonresident trust or a resident trust.]~~

~~[(16)]~~ (4) "Utah fund of funds" means a ~~[limited partnership or]~~ limited liability company established under Section 63N-6-401 ~~[in which a designated investor purchases an equity interest].~~

Section ~~{4}~~ 3. Section **63N-6-204** is amended to read:

63N-6-204. Utah Capital Investment Restricted Account.

(1) There is created a restricted account within the General Fund known as the Utah

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Capital Investment Restricted Account.

(2) The restricted account shall be funded by[:] disbursements from the ~~{Fund}~~Utah fund of ~~{Funds}~~funds or the ~~{Utah Capital Investment Corporation}~~corporation.

~~[(a) redemption reserve money and other money from the corporation as directed by statute, and]~~

~~[(b) appropriations made to the account by the Legislature.]~~

(3) The state treasurer shall:

(a) administer the ~~{restricted }~~account;

~~[(a)]~~ (b) invest money in the restricted account in accordance with Title 51, Chapter 7, State Money Management Act; and

~~[(b)]~~ (c) deposit interest or other earnings derived from investment of restricted account money into the restricted account.

(4) The Legislature may appropriate funds from the restricted account to the General Fund or for any other lawful purpose.

~~[(4) Subject to appropriations by the Legislature, the restricted account shall be administered by the Governor's Office of Economic Opportunity for economic development, infrastructure, state parks, recreation, education innovation, or other purposes as directed by the Legislature.]~~

~~[(5) An appropriation from the restricted account is nonlapsing.]~~

Section 4. Section 63N-6-301 is amended to read:

63N-6-301. Utah Capital Investment Corporation -- Powers and purposes --

Reporting requirements.

(1) (a) There is created an independent quasi-public nonprofit corporation known as the Utah Capital Investment Corporation.

(b) The corporation:

(i) may exercise all powers conferred on independent corporations under Section 63E-2-106;

(ii) is subject to the prohibited participation provisions of Section 63E-2-107; and

(iii) is subject to the other provisions of Title 63E, Chapter 2, Independent Corporations Act, except as otherwise provided in this part.

(c) The corporation shall file with the Division of Corporations and Commercial Code:

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- (i) articles of incorporation; and
- (ii) any amendment to its articles of incorporation.

(d) In addition to the articles of incorporation, the corporation may adopt bylaws and operational policies that are consistent with this chapter.

(e) Except as otherwise provided in this part, this part does not exempt the corporation from the requirements under state law which apply to other corporations organized under Title 63E, Chapter 2, Independent Corporations Act.

(2) The purposes of the corporation are to:

(a) organize administer the Utah fund of funds;

(b) select an investment fund allocation manager to ~~make venture capital and private equity fund~~ manage investments by the Utah fund of funds;

(c) negotiate the terms of a contract with the investment fund allocation manager;

(d) execute the contract with the selected investment fund manager on behalf of the Utah fund of funds; and

~~[(c) receive funds paid by designated investors for the issuance of certificates by the board for private investment in the Utah fund of funds;]~~

~~[(f)]~~ (e) receive investment returns from the Utah fund of funds ~~;~~ and ~~]~~

~~[(g) establish the redemption reserve to be used by the corporation to:]~~

~~[(i) redeem certificates; and]~~

~~[(ii) provide money for the state as directed by statute.]~~

(3) The corporation may not:

(a) exercise governmental functions;

(b) have members;

(c) pledge the credit or taxing power of the state or any political subdivision of the state; or

(d) make its debts payable out of any money except money of the corporation.

(4) The obligations of the corporation are not obligations of the state or any political subdivision of the state within the meaning of any constitutional or statutory debt limitations, but are obligations of the corporation payable solely and only from the corporation's funds.

(5) The corporation may:

(a) engage consultants and legal counsel;

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- (b) expend funds;
- (c) invest funds;
- (d) issue debt and equity, and borrow funds;
- (e) enter into contracts;
- (f) insure against loss;
- (g) hire employees; and
- (h) perform any other act necessary to carry out its purposes.

(6) (a) The corporation shall ~~in consultation with the board,~~ publish on or before September 1 an annual report of the activities conducted by the Utah fund of funds and submit, in accordance with Section 68-3-14, the written report to:

- (i) the governor;
- (ii) the Business, Economic Development, and Labor Appropriations Subcommittee;
- (iii) the Business and Labor Interim Committee; and
- (iv) the Retirement and Independent Entities Interim Committee.

(b) The annual report shall:

(i) be designed to provide clear, accurate, and accessible information to the public, the governor, and the Legislature;

(ii) include a copy of the audit of the Utah fund of funds described in Section 63N-6-405;

(iii) include a detailed balance sheet, revenue and expenses statement, and cash flow statement;

~~(iv) include detailed information regarding new fund commitments made during the year, including the amount of money committed;~~

~~(v) include the net rate of return of the Utah fund of funds from the inception of the Utah fund of funds, after accounting for all expenses, including administrative and financing costs;~~

~~(vi)~~ (iv) include detailed information regarding:

(A) realized gains from investments and any realized losses; and

(B) unrealized gains and any unrealized losses based on the net present value of ongoing investments;

~~(vii)~~ (v) include detailed information regarding all yearly expenditures, including:

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(A) administrative, operating, and financing costs;

(B) aggregate compensation information for full- and part-time employees, including benefit and travel expenses; and

(C) expenses related to the allocation manager;

~~[(viii)]~~ [(vi)] include detailed information regarding all funding sources for administrative, operations, and financing expenses, including expenses charged by or to the Utah fund of funds, including management and placement fees;

~~[(ix)]~~ review the progress of the investment fund allocation manager in implementing its investment plan and provide a general description of the investment plan;

~~[(x)]~~ [(vii)] for each individual fund that the Utah fund of funds is invested in that represents at least 5% of the net assets of the Utah fund of funds, include the name of the fund, the total value of the fund, the fair market value of the Utah fund of funds' investment in the fund, and the percentage of the total value of the fund held by the Utah fund of funds; and

~~[(xi)]~~ include the number of companies in Utah where an investment was made from a fund that the Utah fund of funds is invested in, and provide an aggregate count of new full-time employees in the state added by all companies where investments were made by funds that the Utah fund of funds is invested in;

~~[(xii)]~~ [(viii)] include an aggregate total value for all funds the Utah fund of funds is invested in, and an aggregate total amount of money invested in the state by the funds the Utah fund of funds is invested in;

~~[(xiii)]~~ describe any redemption or transfer of a certificate issued under this part;

~~[(xiv)]~~ include actual and estimated potential appropriations the Legislature will be required to provide as a result of redeemed certificates or tax credits during the following five years;

~~[(xv)]~~ include an evaluation of the state's progress in accomplishing the purposes stated in Section 63N-6-102; and

~~[(xvi)]~~ be directly accessible to the public via a link from the main page of the Utah fund of fund's website;

~~[(c)]~~ The annual report may not identify a specific designated investor who has redeemed or transferred a certificate;

~~[(7)]~~ (a) On or before December 1, 2021, the corporation shall provide a written report

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to the president of the Senate and the speaker of the House of Representatives that includes a detailed plan, time line, and recommendations for the future of the corporation.】

【(b) The plan shall include recommendations describing:】

【(i) the divestment of the state from any future liability of the corporation and a time line for realizing gains and winding down all investments from the current Utah fund of funds;】

【(ii) any plans that the corporation has to raise capital for a fund similar to the current Utah fund of funds that does not require certificates, contingent tax credits, or other guarantees from the state to be provided to equity investors;】

【(iii) whether the corporation should continue as an independent quasi-public nonprofit corporation under Title 63E, Chapter 2, Independent Corporations Act;】

【(iv) if the corporation recommends continuing as an independent quasi-public nonprofit corporation, why the corporation should continue, and what benefits the corporation will provide to the state in terms of economic development, job growth, or other benefits;】

【(v) whether the corporation should be liquidated or dissolved under Section 63N-3-306;】

【(vi) if the corporation recommends that the corporation be liquidated or dissolved, a detailed plan and time line for dissolution that includes recommendations regarding how assets and realized gains of the corporation should be distributed;】

【(vii) whether the corporation should be privatized in accordance with Title 63E, Chapter 1, Part 4, Privatization of Independent Entities; and】

【(viii) if the corporation recommends that the corporation be privatized, a detailed plan and time line for privatization that includes recommendations regarding the distribution of assets and realized gains of the corporation.】

【(8) In relation to the written report described in Subsection (7), the corporation:】

【(a) may seek potential commitments through letters of intent or other means to demonstrate the viability of raising capital for a new fund as described in Subsection (7)(b)(ii); and】

【(b) may not enter into any binding commitments related to a new fund as described in Subsection (7)(b)(ii), unless the corporation receives specific authorization through legislation passed by the Legislature after the report described in Subsection (7) is provided.】

Section 5. Section 63N-6-303 is amended to read:

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63N-6-303. Board of directors.

~~[(1) The initial board of directors of the corporation shall consist of five members.]~~

~~[(2) The persons elected to the initial board of directors by the appointment committee shall include persons who have an expertise, as considered appropriate by the appointment committee, in the areas of:]~~

~~[(a) the selection and supervision of investment managers;]~~

~~[(b) fiduciary management of investment funds; and]~~

~~[(c) other areas of expertise as considered appropriate by the appointment committee.]~~

~~[(3) After the election of the initial board of directors, vacancies in the board of directors of the corporation shall be filled by election by the remaining directors of the corporation.]~~

~~[(4) (a) Board members shall serve four-year terms, except that of the five initial members:]~~

~~[(i) two shall serve four-year terms;]~~

~~[(ii) two shall serve three-year terms; and]~~

~~[(iii) one shall serve a two-year term.]~~

~~[(b) Board members shall serve until their successors are elected and qualified and may serve up to a maximum of two successive terms:]~~

~~[(c) A majority of the board members may remove a board member for cause.]~~

~~[(d) (i) The board shall select a chair by majority vote:]~~

~~[(ii) The chair's term is for one year, which may be extended annually by a majority vote of the members of the board of directors.]~~

~~— [(5) Three:]~~

[(1) The corporation's board of directors comprises the state treasurer and two individuals designated by the state treasurer.]

[(5)] (2) [Three] Two members of the board are a quorum for the transaction of business.

[(6)] (3) Members of the board of directors:

(a) are subject to any restrictions on conflicts of interest specified in the organizational documents of the corporation; and

~~[(b) shall annually disclose any venture capital and private equity interests to the~~

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corporation; and]

~~[(c)]~~ (b) may not participate in a vote by the board of directors related to an investment by the Utah fund of funds, if the member has an interest in the investment.

~~[(7)]~~ (4) Directors of the corporation:

- (a) shall be compensated for direct expenses and mileage; and
- (b) may not receive a director's fee or salary for service as directors.

Section 6. Section 63N-6-305 is amended to read:

63N-6-305. Management fee -- Additional financial assistance.

(1) The corporation may charge a management fee on assets under management in the Utah fund of funds.

~~[(2) The fee shall:]~~

~~[(a) be in addition to any fee charged to the Utah fund of funds by the venture capital investment fund allocation manager selected by the corporation; and]~~

~~[(b) be charged only to pay for reasonable and necessary costs of the corporation.]~~

~~[(3) The corporation may apply for and, when qualified, receive financial assistance from the Industrial Assistance Account under Chapter 3, Part 1, Industrial Assistance Account, and under rules made by the Board of Business and Economic Development in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, to help establish the program authorized under this part.]~~

~~Section 5. Section 63N-6-306 is repealed and reenacted to read:~~

~~**63N-6-306. Transition of Utah Capital Investment Corporation from an independent quasi-public entity.**~~

~~(1) The board of directors of Utah Capital Investment Corporation as it existed on January 1, 2022, shall continue as the board of directors of Utah Capital Investment Corporation until the board is changed in accordance with the Utah Revised Nonprofit Corporation Act and the articles of incorporation and bylaws of Utah Capital Investment Corporation.~~

~~(2) On the date of transition:~~

~~(a) the Utah Capital Investment Corporation ceases to be an independent quasi-public entity and continues as a private non-profit.]~~

(2) The management fee described in Subsection (1) may not, in a calendar year,

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exceed 1% of the asset value of the Utah fund of funds on the immediately preceding December 31.

(3) In addition to the management fee, the Utah fund of funds will pay directly or reimburse the corporation ~~formed under the Utah Revised Nonprofit Corporation Act, and~~ ~~(b) the relationship of the state with the Utah Capital Investment Corporation, as it existed under the Utah Venture Capital Enhancement Act, repealed on May 4, 2022, ceases.~~ ~~Section 6} for out-of-pocket expenses, including fund administration, tax and audit fees and costs, investment and monitoring costs, and similar expenses incurred in connection with the operation of the corporation or the Utah fund of funds.~~

Section 7. Section ~~{63N-6-307}~~ 63N-6-401 is ~~{enacted to read:~~

~~63N-6-307. Fund of Funds -- Transfer, investment, and management of assets --~~
Operating agreement.

~~(1) On May 4, 2022, the Utah Capital Investment Corporation will cause the Fund of Funds to transfer \$15,000,000 to the state for deposit into the restricted account.~~

~~(2) Beginning on the date of transition:~~

~~(a) the Utah Capital Investment Corporation will transfer to the state a membership or limited partnership interest in the Fund of Funds that represents all of the economic interests in the Fund of Funds and that is consistent with this section;~~

~~(b) the state, as represented by the state treasurer or an individual appointed by the state treasurer, will be a member or limited partner of the Fund of Funds;~~

~~(c) subject to Subsection (5), the Fund of Funds shall be the sole entity to hold all original assets and subsequent investments until those assets are transferred to the state or disbursed as described in this section;~~

~~(d) the Fund of Funds may not hold any assets other than the original assets or subsequent investments until the state ceases to be a member or limited partner of the Fund of Funds; and~~

~~(e) the state, as represented by the state treasurer, shall designate as the initial manager to serve after the date of transition, the Utah Capital Investment Corporation or another entity managed by the individual who, on January 1, 2022, was the managing director of the Utah Capital Investment Corporation.~~

~~(3) On or before the date of transition, the state treasurer shall, on behalf of the state,~~

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~~enter into an operating agreement or limited partnership agreement that:~~

~~—— (a) takes effect on the date of transition;~~

~~—— (b) is based on commercial terms consistent with comparable fund of funds generally;~~

~~that includes the right of the state to remove and replace the manager;~~

~~—— (c) provides that the Fund of Funds will dissolve on December 31, 2032, or a later date if the state approves an extension;~~

~~—— (d) provides for the appointment of the manager or another person appointed by the state as a liquidator, to:~~

~~—— (i) liquidate the assets of the Fund of Funds in an orderly fashion; and~~

~~—— (ii) after the payment of liquidation expenses and any other liabilities of the Fund of Funds, distribute the net proceeds to the state, for deposit into the restricted account;~~

~~—— (e) provides for investment, after the date of transition, of the original assets held by the Fund of Funds that are cash or cash equivalents;~~

~~—— (f) provides for the payment of the proceeds of the original investments to the state, for deposit into the restricted account, when those investments mature;~~

~~—— (g) provides for the payment of the proceeds of the subsequent investments to the state, for deposit into the restricted account, when those investments mature;~~

~~—— (h) prohibits reinvestment of the proceeds described in Subsections (3)(f) and (g);~~

~~—— (i) provides that the Fund of Funds will be responsible for the payment of out-of-pocket expenses, including fund administration, tax and audit fees and costs, investment and monitoring costs, and similar expenses;~~

~~—— (j) designates a management fee or other compensation to be paid to the manager, that:~~

~~—— (i) reflects ordinary commercial terms; and~~

~~—— (ii) may not, in a calendar year, exceed 1% of the asset value of the Fund of Funds on the immediately preceding December 31; and~~

~~—— (k) provides that if the individual who, on January 1, 2022, was the managing director of the Utah Capital Investment Corporation is no longer directly or indirectly the manager of the investments or other assets held by the Fund of Funds, the state, as represented by the state treasurer, as member of the Fund of Funds may remove the manager and appoint another person as the manager.~~

~~—— (4) The manager:~~

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~~_____ (a) may manage investment funds that do not belong to the state, or co-invest investment funds that do not belong to the state with funds invested from the Fund of Funds, upon terms that are not more favorable or less favorable than those provided to the state;~~

~~_____ (b) shall keep any funds that do not belong to the state separate from the Fund of Funds;~~

~~_____ (c) may not transfer any risk or liability of another party to the state; and~~

~~_____ (d) may not take any action that would constitute extending the credit of the state to any party;~~

~~_____ (5) (a) The operating agreement or limited partnership agreement shall include the provisions described in Subsections (5)(a) and (b)~~

~~_____ (b) Subject to Subsection (5)(c), if the Utah Capital Investment Corporation determines to dissolve before July 1, 2023, the Utah Capital Investment Corporation may retain the funds necessary to wind up the Utah Capital Investment Corporation's affairs, including for the payment of tax preparation, accounting, and legal fees in connection with the dissolution, and any other outstanding liabilities or, in the alternative, the Fund of Funds shall pay those necessary funds;~~

~~_____ (c) The Utah Capital Investment Corporation may not retain funds, the Fund of Funds is not required to pay funds, and the state is not liable for the payment of any funds, described in Subsection (5)(b) if:~~

~~_____ (i) the Utah Capital Investment Corporation determines to dissolve on or after July 1, 2023; or~~

~~_____ (ii) the Utah Capitol Investment Corporation begins managing funds for a party other than the state before July 1, 2023;~~

~~_____~~ amended to read:

63N-6-401. Organization of Utah fund of funds.

(1) The corporation shall organize, and be the sole member and manager of, the Utah fund of funds.

(2) The Utah fund of funds shall ~~make investments in venture capital and private equity partnerships or entities in a manner and for the following purposes:~~ hold and manage investments made by the Utah fund of funds and proceeds from those investments until disbursed to the restricted account or used to pay the fees and expenses described in this

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chapter.

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

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

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

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

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

(3) The Utah fund of funds shall be organized~~[-{~~

~~-(a){}]~~ as a ~~[limited partnership or]~~ limited liability company ~~[under Utah law having the corporation and qualified investment professionals as the general partner or manager;]~~, with the corporation as the sole member and manager.

~~[(b) to provide for equity interests for designated investors, which provide for a designated scheduled return and a scheduled redemption in accordance with rules made by the board pursuant to Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and]~~

~~[(c) to provide for loans by or the issuance of debt obligations to designated investors that provide for designated payments of principal, interest, or interest equivalent in accordance with rules made by the board pursuant to Title 63G, Chapter 3, Utah Administrative Rulemaking Act.]~~

~~[(4) Public money may not be invested in the Utah fund of funds.-{~~

~~}]~~

(4) The Utah fund of funds may not invest money after May 4, 2022, unless the Utah fund of funds committed to the investment before May 4, 2022.

(5) The corporation may disburse proceeds of investments from the Utah fund of funds into the restricted account at any time the corporation determines is in the best interest of the state, leaving sufficient funds to pay expenses and fees owed by, or needed to wind up the affairs of, the corporation or the Utah fund of funds.

(6) The state treasurer shall notify the Executive Appropriations Committee when all investments held by the Utah fund of funds mature and the state treasurer determines it is advisable to complete winding up the affairs of the corporation.

Section 8. Section 63N-6-402 is amended to read:

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63N-6-402. Compensation from the Utah fund of funds to the corporation --

~~{Redemption reserve}~~ Transfer to restricted account.

(1) The corporation shall be compensated for its involvement in the Utah fund of funds through the payment of the management fee described in Section 63N-6-305.

~~[(2) Before any returns may be reinvested in the Utah fund of funds:]~~

~~[(a) any returns shall be paid to designated investors, including the repayment by the Utah fund of funds of any outstanding loans;]~~

~~[(b) any returns in excess of those payable to designated investors shall be deposited in the redemption reserve and shall be:]~~

~~[(i) held by the corporation as a first priority reserve for the redemption of certificates; and]~~

~~[(ii) used by the corporation to provide money for the state as directed by statute;]~~

~~[(c) any returns received by the corporation from investment of amounts held in the redemption reserve that are not used to provide money for the state as directed by statute shall be added to the redemption reserve until the redemption reserve has reached a total of \$250,000,000; and]~~

~~[(d) if at the end of a calendar year the redemption reserve exceeds the \$250,000,000 limitation referred to in Subsection (2)(c), the corporation may reinvest the excess in the Utah fund of funds.]~~

~~[(3) Funds held by the corporation in the redemption reserve shall be invested in accordance with Title 51, Chapter 7, State Money Management Act.]~~

~~[(4)]~~ (2) (a) [By June 30, 2021] On or before June 30, 2022, the [corporation] Utah fund or funds shall transfer [~~\$20,000,000~~ \$15,000,000 from the redemption reserve or other assets of the corporation] to the state treasurer.

(b) The state treasurer shall deposit the money described in Subsection ~~[(4)]~~ (2)(a) into the restricted account.

Section 9. Section 63N-6-404 is amended to read:

63N-6-404. Powers of Utah fund of funds.

~~[(+)]~~ The Utah fund of funds may:

~~[(a)]~~ (1) engage consultants and legal counsel;

~~[(b)]~~ (2) expend funds;

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~~[(c) invest funds;]~~

~~[(d) issue debt and borrow funds;]~~

~~[(e) (3) enter into contracts; and]~~

~~[(f) insure against loss;]~~

~~[(g) hire employees;]~~

~~[(h) issue equity interests to designated investors that have purchased equity interest certificates from the board; and]~~

~~[(i) (4) perform any other act necessary to carry out its purposes.]~~

~~[(2)(a) The Utah fund of funds shall engage a venture capital investment fund allocation manager.]~~

~~[(b) The compensation paid to the fund manager shall be in addition to the management fee paid to the corporation under Section 63N-6-305.]~~

~~[(3) The Utah fund of funds may:]~~

~~[(a) open and manage bank and short-term investment accounts as considered necessary by the venture capital investment fund allocation manager; and]~~

~~[(b) expend money to secure investment ratings for investments by designated investors in the Utah fund of funds.]~~

Section 10. Section 63N-6-405 is amended to read:

63N-6-405. Annual audits.

(1) Each calendar year, an audit of the activities of the Utah fund of funds shall be made as described in this section.

(2) (a) The audit shall be conducted by:

(i) the state auditor; or

(ii) an independent auditor engaged by the state auditor.

(b) An independent auditor used under Subsection (2)(a)(ii) must have no business, contractual, or other connection to:

(i) the corporation; or

(ii) the Utah fund of funds.

(3) The corporation shall pay the costs associated with the annual audit.

(4) The annual audit report shall:

(a) be delivered to:

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- (i) the corporation; and
- (ii) the ~~[board]~~ state treasurer;
- (b) include a valuation of the assets owned by the Utah fund of funds as of the end of the reporting year;
- (c) include an opinion regarding the accuracy of the information provided in the annual report described in Subsection 63N-6-301(6); and

~~[(d) include an opinion regarding the accuracy of the information that supports the economic development impact in the state of the Utah fund of funds as described in Subsections 63N-6-203(3)(b)(ii) and 63N-6-406(3); and]~~

~~[(e)]~~ (d) be completed on or before September 1 for the previous calendar year so that it may be included in the annual report described in Subsection 63N-6-301(6).

Section 11. Section 63N-6-410 is amended to read:

63N-6-410. Powers and effectiveness.

(1) This chapter may not be construed as a restriction or limitation upon any power which the board might otherwise have under any other law of this state and the provisions of this chapter are cumulative to those powers.

(2) This chapter shall be construed to provide a complete, additional, and alternative method for performing the duties authorized and shall be regarded as supplemental and additional powers to those conferred by any other laws.

~~[(3) With respect to a debt-based private investment only, the provisions of any contract entered into by the board or the Utah fund of funds may not be compromised, diminished, invalidated, or affected by the:]~~

~~[(a) level, timing, or degree of success of the Utah fund of funds or the investment funds in which the Utah fund of funds invests; or]~~

~~[(b) extent to which the investment funds are:]~~

~~[(i) invested in Utah venture capital projects; or]~~

~~[(ii) successful in accomplishing any economic development objectives.]~~

~~Section 7. Section 67-3-12 is amended to read:~~

~~67-3-12. Utah Public Finance Website -- Establishment and administration --~~ **Records disclosure -- Exceptions:**

~~(1) As used in this section:~~

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- ~~—— (a) (i) Subject to Subsections (1)(a)(ii) and (iii), "independent entity" means the same as that term is defined in Section 63E-1-102.~~
- ~~—— (ii) "Independent entity" includes an entity that is part of an independent entity described in Subsection (1)(a)(i), if the entity is considered a component unit of the independent entity under the governmental accounting standards issued by the Governmental Accounting Standards Board.~~
- ~~—— (iii) "Independent entity" does not include the Utah State Retirement Office created in Section 49-11-201.~~
- ~~—— (b) "Local education agency" means a school district or charter school.~~
- ~~—— (c) "Participating local entity" means:~~
- ~~—— (i) a county;~~
- ~~—— (ii) a municipality;~~
- ~~—— (iii) a local district under Title 17B, Limited Purpose Local Government Entities = Local Districts;~~
- ~~—— (iv) a special service district under Title 17D, Chapter 1, Special Service District Act;~~
- ~~—— (v) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;~~
- ~~—— (vi) a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit District Act;~~
- ~~—— (vii) except for a taxed interlocal entity as defined in Section 11-13-602:~~
- ~~—— (A) an interlocal entity as defined in Section 11-13-103;~~
- ~~—— (B) a joint or cooperative undertaking as defined in Section 11-13-103; or~~
- ~~—— (C) any project, program, or undertaking entered into by interlocal agreement in accordance with Title 11, Chapter 13, Interlocal Cooperation Act;~~
- ~~—— (viii) except for a taxed interlocal entity as defined in Section 11-13-602, an entity that is part of an entity described in Subsections (1)(c)(i) through (vii), if the entity is considered a component unit of the entity described in Subsections (1)(c)(i) through (vii) under the governmental accounting standards issued by the Governmental Accounting Standards Board;~~
- ~~or~~
- ~~—— (ix) a conservation district under Title 17D, Chapter 3, Conservation District Act.~~
- ~~—— (d) (i) "Participating state entity" means the state of Utah, including its executive, legislative, and judicial branches, its departments, divisions, agencies, boards, commissions;~~

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~~councils, committees, and institutions:~~

~~—— (ii) "Participating state entity" includes an entity that is part of an entity described in Subsection (1)(d)(i), if the entity is considered a component unit of the entity described in Subsection (1)(d)(i) under the governmental accounting standards issued by the Governmental Accounting Standards Board.~~

~~—— (e) "Public finance website" or "website" means the website established by the state auditor in accordance with this section.~~

~~—— (f) "Public financial information" means each record that is required under this section or by rule made by the Office of the State Auditor under Subsection (8) to be made available on the public finance website, a participating local entity's website, or an independent entity's website.~~

~~—— (g) "Qualifying entity" means:~~

~~—— (i) an independent entity;~~

~~—— (ii) a participating local entity;~~

~~—— (iii) a participating state entity;~~

~~—— (iv) a local education agency;~~

~~—— (v) a state institution of higher education as defined in Section 53B-3-102;~~

~~—— (vi) the Utah Educational Savings Plan created in Section 58B-8a-103;~~

~~—— (vii) the Utah Housing Corporation created in Section 63H-8-201;~~

~~—— (viii) the School and Institutional Trust Lands Administration created in Section 53C-1-201; or~~

~~—— [(ix) the Utah Capital Investment Corporation created in Section 63N-6-301; or]~~

~~—— [(x)] (ix) a URS-participating employer.~~

~~—— (h) (i) "URS-participating employer" means an entity that:~~

~~—— (A) is a participating entity, as that term is defined in Section 49-11-102; and~~

~~—— (B) is not required to report public financial information under this section as a qualifying entity described in Subsections (1)(g)(i) through [(ix)] (viii);~~

~~—— (ii) "URS-participating employer" does not include:~~

~~—— (A) the Utah State Retirement Office created in Section 49-11-201; or~~

~~—— (B) a withdrawing entity.~~

~~—— (i) (i) "Withdrawing entity" means an entity that elects to withdraw from participation~~

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~~in a system or plan under Title 49, Chapter 11, Part 6, Procedures and Records:~~

~~—— (ii) "Withdrawing entity" includes a withdrawing entity, as that term is defined in Sections 49-11-623 and 49-11-624.~~

~~—— (2) The state auditor shall establish and maintain a public finance website in accordance with this section:~~

~~—— (3) The website shall:~~

~~—— (a) permit Utah taxpayers to:~~

~~—— (i) view, understand, and track the use of taxpayer dollars by making public financial information available on the Internet for participating state entities, independent entities, participating local entities, and URS-participating employers, using the website; and~~

~~—— (ii) link to websites administered by participating local entities, independent entities, or URS-participating employers that do not use the website for the purpose of providing public financial information as required by this section and by rule made under Subsection (8);~~

~~—— (b) allow a person that has Internet access to use the website without paying a fee;~~

~~—— (c) allow the public to search public financial information on the website;~~

~~—— (d) provide access to financial reports, financial audits, budgets, or other financial documents that are used to allocate, appropriate, spend, and account for government funds, as may be established by rule made in accordance with Subsection (9);~~

~~—— (e) have a unique and simplified website address;~~

~~—— (f) be guided by the principles described in Subsection 63A-16-202(2);~~

~~—— (g) include other links, features, or functionality that will assist the public in obtaining and reviewing public financial information, as may be established by rule made under Subsection (9); and~~

~~—— (h) include a link to school report cards published on the State Board of Education's website under Section 53E-5-211.~~

~~—— (4) The state auditor shall:~~

~~—— (a) establish and maintain the website, including the provision of equipment, resources, and personnel as necessary;~~

~~—— (b) maintain an archive of all information posted to the website;~~

~~—— (c) coordinate and process the receipt and posting of public financial information from participating state entities; and~~

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~~—— (d) coordinate and regulate the posting of public financial information by participating local entities and independent entities.~~

~~—— (5) A qualifying entity shall permit the public to view the qualifying entity's public financial information by posting the public financial information to the public finance website in accordance with rules made under Subsection (9).~~

~~—— (6) The content of the public financial information posted to the public finance website is the responsibility of the qualifying entity posting the public financial information.~~

~~—— (7) A URS-participating employer shall provide employee compensation information for each fiscal year ending on or after June 30, 2022:~~

~~—— (a) to the state auditor for posting on the Utah Public Finance Website; or~~

~~—— (b) (i) through the URS-participating employer's own website; and~~

~~—— (ii) via a link to the website described in Subsection (7)(b)(i), submitted to the state auditor for posting on the Utah Public Finance Website.~~

~~—— (8) (a) A qualifying entity may not post financial information that is classified as private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and Management Act, to the public finance website.~~

~~—— (b) An individual who negligently discloses financial information that is classified as private, protected, or controlled by Title 63G, Chapter 2, Government Records Access and Management Act, is not criminally or civilly liable for an improper disclosure of the financial information if the financial information is disclosed solely as a result of the preparation or publication of the website.~~

~~—— (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the Office of the State Auditor:~~

~~—— (a) shall make rules to:~~

~~—— (i) establish which records a qualifying entity is required to post to the public finance website; and~~

~~—— (ii) establish procedures for obtaining, submitting, reporting, storing, and posting public financial information on the public finance website; and~~

~~—— (b) may make rules governing when a qualifying entity is required to disclose an expenditure made by a person under contract with the qualifying entity, including the form and content of the disclosure.~~

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~~(10) The rules made under Subsection (9) shall only require a URS-participating employer to provide employee compensation information for each fiscal year ending on or after June 30, 2022:~~

~~(a) to the state auditor for posting on the public finance website; or~~

~~(b) (i) through the URS-participating employer's own website; and~~

~~(ii) via a link to the website described in Subsection (10)(b)(i), submitted to the state auditor for posting on the public finance website.~~

~~Section 8}]~~

Section 12. Repealer.

This bill repeals:

Section 63N-6-101, Title.

Section 63N-6-102, Findings -- Purpose.

Section 63N-6-201, Utah Capital Investment Board.

Section 63N-6-202, Board members -- Meetings -- Expenses.

Section 63N-6-203, Board duties and powers.

~~{ Section 63N-6-301, Utah Capital Investment Corporation -- Powers and purposes -- Reporting requirements:~~

~~{ Section 63N-6-302, Incorporator -- Appointment committee.~~

~~{ Section 63N-6-303, Board of directors.~~

~~{ Section 63N-6-304, Investment manager.~~

~~Section {63N-6-305, Management fee -- Additional financial assistance:~~

~~Section 63N-6-401, Organization of Utah fund of funds.~~

~~Section 63N-6-402, Compensation from the Utah fund of funds to the corporation -- Redemption reserve}{63N-6-306, Dissolution.~~

Section 63N-6-403, Investments by Utah fund of funds.

~~{ Section 63N-6-404, Powers of Utah fund of funds:~~

~~Section 63N-6-405, Annual audits:~~

~~{ Section 63N-6-406, Certificates and contingent tax credits.~~

Section 63N-6-407, Transfer and registration of certificates.

Section 63N-6-408, Redemption of certificates.

Section 63N-6-409, Use of commitments to redeem certificates.

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~~{ Section 63N-6-410, Powers and effectiveness.~~

{ Section 63N-6-411, Permissible investments.

Section ~~{63N-6-412, Exemption from certain statutes.~~

{ **13. Effective date.**

This bill takes effect on July 1, 2022, except that the changes to Sections 63N-6-401 and 63N-6-402 take effect on May 4, 2022.