

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 1067 Session of  
1991

INTRODUCED BY BELFANTI AND GEIST, APRIL 9, 1991

REFERRED TO COMMITTEE ON APPROPRIATIONS, APRIL 9, 1991

AN ACT

1 Amending Title 71 (State Government) of the Pennsylvania  
2 Consolidated Statutes, further providing for venture capital  
3 investments.

4 The General Assembly of the Commonwealth of Pennsylvania  
5 hereby enacts as follows:

6 Section 1. Section 5931(p) of Title 71 of the Pennsylvania  
7 Consolidated Statutes is amended to read:

8 § 5931. Management of fund and accounts.

9 \* \* \*

10 (p) Venture capital.--The provisions of subsection (m)  
11 notwithstanding, venture capital investments made through  
12 limited partnerships and through separate accounts shall be  
13 limited to not more than [1%] 2% of the book value of the total  
14 assets of the fund. A venture capital investment shall be made  
15 only if such investment will enhance the general welfare of this  
16 Commonwealth and its citizens through economic development and  
17 meets the standard of prudence set forth in subsection (m). An  
18 investment shall be deemed a venture capital investment if it

1 results in the acquisition of equity interests or a combination  
2 of debt and equity interests in a business which is expected to  
3 grow substantially in the future and in which the expected  
4 return on investment is to come predominantly from an increase  
5 in value of the equity interest and that are not held through or  
6 secured by stock that is an authorized investment under the  
7 authority of subsection (h) and are not interests in or secured  
8 by real estate.

9 Section 2. This act shall take effect in 60 days.