

A MEMORIAL

REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO CREATE A LEGISLATIVE INTERIM "FINANCIAL INSTITUTIONS AFFAIRS COMMITTEE".

WHEREAS, the regulatory framework for financial institutions at federal and state levels is complex and overlapping, and the extent to which New Mexico can regulate financial institutions operating in New Mexico is unclear; and

WHEREAS, problems arising in areas such as mortgage lending, small loans and title insurance illustrate the concern that the present regulatory framework for financial institutions at the state level may be inadequate to protect the interests of New Mexico residents; and

WHEREAS, because the present state regulatory framework for financial institutions in New Mexico was enacted piecemeal over the years and has not been subjected to a comprehensive review, that framework may be inefficient and conflicting and in need of a comprehensive update; and

WHEREAS, modern and evolving technology has given rise to new institutions, such as the internet, that may not be adequately overseen by the current regulatory framework; and

WHEREAS, legislation introduced during recent legislative sessions has addressed different parts of the regulatory framework for financial institutions but has not

been coordinated to address the industry as a whole;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the New Mexico legislative council be requested to appoint a legislative interim "financial institutions affairs committee" to study legislative issues relating to financial institutions, including a potential reorganization of the constitutional and statutory framework for regulating financial institutions subject to state law in New Mexico, and to the interplay between federal and state regulation of financial institutions; and to recommend appropriate actions to address relevant related issues; and

BE IT FURTHER RESOLVED that the newly created legislative interim committee report its findings and make its recommendations to the legislature by November 30, 2008; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the co-chairs of the New Mexico legislative council.