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AN ACT

RELATING TO STATE INVESTMENTS; PROVIDING FOR ADDITIONAL
APPOINTEES TO THE STATE INVESTMENT COUNCIL.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 6-8-2 NMSA 1978 (being Laws 1957,
Chapter 179, Section 2, as amended) is amended to read:

"6-8-2. STATE INVESTMENT COUNCIL.--

A. There is created a "state investment council".

The council shall be composed of:

- (1) the governor;
- (2) the state treasurer;
- (3) the commissioner of public lands;
- (4) the secretary;
- (5) the state investment officer;
- (6) the chief financial officer of a state
institution of higher education appointed by the governor
with the advice and consent of the senate;
- (7) one public member appointed by the
president pro tempore of the senate with the advice and
consent of the senate;
- (8) one public member appointed by the
minority floor leader of the senate with the advice and
consent of the senate;
- (9) one public member appointed by the

1 speaker of the house of representatives with the advice and
2 consent of the senate;

3 (10) one public member appointed by the
4 minority floor leader of the house of representatives with
5 the advice and consent of the senate; and

6 (11) three public members appointed by the
7 majority of the other ten members, with the advice and
8 consent of the senate.

9 B. The chair of the council shall be the governor.
10 All actions of the council shall be by majority vote, and at
11 least five members appointed pursuant to Paragraphs (7)
12 through (11) of Subsection A of this section must be present
13 to constitute a quorum.

14 C. Members of the council appointed pursuant to
15 Paragraphs (7) through (11) of Subsection A of this section
16 shall be reimbursed per diem and mileage pursuant to the
17 provisions of the Per Diem and Mileage Act."

18 Section 2. Section 6-8-3 NMSA 1978 (being Laws 1957,
19 Chapter 179, Section 3, as amended) is amended to read:

20 "6-8-3. COUNCIL TERMS AND QUALIFICATIONS.--

21 A. Members of the council appointed pursuant to
22 Paragraphs (7) through (11) of Subsection A of Section 6-8-2
23 NMSA 1978, with the advice and consent of the senate, shall
24 serve for staggered terms of five years. Members of the
25 council shall serve until their successors are appointed and

1 have qualified.

2 B. The members of the council appointed pursuant
3 to Paragraphs (7) through (11) of Subsection A of Section
4 6-8-2 NMSA 1978 shall be qualified by competence and no less
5 than ten years' experience in the field of investment or
6 finance. A member of the council shall not have had any
7 contracts to do business with the state investment council,
8 the investment office, the office of the state treasurer, the
9 educational retirement board, the public employees retirement
10 association, the New Mexico finance authority or the state
11 board of finance for a period of two calendar years prior to
12 the person's appointment to the council and shall not enter
13 into any contracts to do business with any of the named state
14 agencies or instrumentalities for a period of two calendar
15 years after the end of the term for which the member was
16 appointed. Members of the council and officers and employees
17 of the council shall be governed by the provisions of the
18 Governmental Conduct Act. Nothing in this section or in the
19 Governmental Conduct Act shall be construed as prohibiting an
20 officer of a financial institution from participating as a
21 member of the council in setting general policies of the
22 council, nor shall any provision of the Governmental Conduct
23 Act prohibit the council or the state treasurer from
24 depositing funds under the jurisdiction of the council in any
25 financial institution. A council member shall not hold an

1 office or employment in a political party.

2 C. Any member of the council appointed pursuant to
3 Paragraphs (7) through (11) of Subsection A of Section 6-8-2
4 NMSA 1978, may be removed from the council by the governor,
5 for cause, in the manner provided for removal of members of
6 boards of regents under Article 12, Section 13 of the
7 constitution of New Mexico. A vacancy in the membership of
8 the council occurring other than by expiration of term shall
9 be filled in the same manner as the original appointment but
10 for the unexpired term only."

11 Section 3. TEMPORARY PROVISION--TRANSITION MEMBERSHIP
12 OF STATE INVESTMENT COUNCIL.--

13 A. The three public members serving on the state
14 investment council on July 1, 2009 shall continue to serve on
15 the council until their term expires.

16 B. On July 1, 2009, members may be appointed
17 pursuant to Paragraphs (7) through (10) of Subsection A of
18 Section 6-8-2 NMSA 1978 and shall serve on an interim basis
19 until confirmed by the senate; provided that, the initial
20 appointees shall, by lot, determine the terms of office for
21 each position so that one position will be for an initial
22 term of one year, two positions will be for initial terms of
23 three years and one position will be for an initial term of
24 five years. Thereafter, the terms shall be for five years.

25 C. The three members appointed pursuant to

1 Paragraph (11) of Subsection A of Section 6-8-2 NMSA 1978
2 shall be appointed by the other ten members, including
3 members serving on an interim basis, as the terms of the
4 public members serving on July 1, 2009 expire.

5 Section 4. EFFECTIVE DATE.--The effective date of the
6 provisions of this act is July 1, 2009. _____

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