

SENATE FINANCE COMMITTEE SUBSTITUTE FOR
SENATE BILL 231

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

AN ACT

RELATING TO PUBLIC MONEY; ALLOWING SCHOOL DISTRICTS AND CERTAIN
CHARTER SCHOOLS TO MAKE INVESTMENTS OF PUBLIC MONEY; ALLOWING
SCHOOL DISTRICTS AND CERTAIN CHARTER SCHOOLS TO DETERMINE
DEPOSITS WITH LOCAL QUALIFIED DEPOSITORIES.

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

SECTION 1. Section 6-10-1.1 NMSA 1978 (being Laws 1987,
Chapter 79, Section 3, as amended) is amended to read:

"6-10-1.1. DEFINITIONS.--As used in Chapter 6, Article 10
NMSA 1978:

A. "department" means the department of finance and
administration;

B. "deposit" includes share, share certificate and
share draft;

C. "eligible governing body" means a local

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1 governing body, the governing authority of a tribe or any other
2 governmental or quasi-governmental body created or authorized
3 to be created pursuant to New Mexico statutes;

4 D. "finance officer" means the chief financial
5 officer of an eligible governing body or a participating
6 government;

7 E. "local governing body" means a political
8 subdivision of the state, including a school district, a
9 charter school whose governing body has been designated as a
10 board of finance or a post-secondary educational institution;

11 F. "participating government" means an eligible
12 governing body or the state treasurer on behalf of the general
13 fund that has invested money in the participating government
14 investment fund;

15 G. "secretary" means the secretary of finance and
16 administration;

17 H. "treasury" means the master depository or cash
18 concentration account held at the state's fiscal agent bank and
19 administered by the office of the state treasurer, unless the
20 context otherwise clearly indicates; and

21 I. "tribe" means a federally recognized Indian
22 nation, tribe or pueblo or a subdivision or agency of a
23 federally recognized Indian nation, tribe or pueblo, located
24 wholly or partially in New Mexico."

25 SECTION 2. Section 6-10-10 NMSA 1978 (being Laws 1933,

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1 Chapter 175, Section 4, as amended) is amended to read:

2 "6-10-10. DEPOSIT AND INVESTMENT OF FUNDS.--

3 A. Upon the certification or designation of a bank,
4 savings and loan association or credit union whose deposits are
5 insured by an agency of the United States to receive public
6 money on deposit, the state treasurer [~~and~~], county or
7 municipal treasurers and school district designees who have on
8 hand any public money by virtue of their offices shall make
9 deposit of that money in banks and savings and loan
10 associations and may make deposit of that money in credit
11 unions whose deposits are insured by an agency of the United
12 States, designated by the authority authorized by law to so
13 designate to receive the deposits of all money thereafter
14 received or collected by the treasurers or school district
15 designees.

16 B. County or municipal treasurers or school
17 district designees may deposit money in one or more accounts
18 with any such bank, savings and loan association or credit
19 union located in their respective counties, subject to
20 limitation on credit union accounts.

21 C. The state treasurer may deposit money in one or
22 more accounts with any such bank, savings and loan association
23 or credit union, subject to the limitation on credit union
24 accounts.

25 D. Duplicate receipts or deposit slips shall be

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1 taken for each deposit made pursuant to Subsection A, B or C of
2 this section. When deposits are made by the state treasurer,
3 one copy of the receipt or deposit slip shall be retained by
4 the state treasurer and the other copy shall be filed monthly
5 on the first day of each month with the financial control
6 division of the department of finance and administration. When
7 deposits are made by the treasurer or any other authorized
8 person making the deposits for a board of finance of a public
9 or educational institution, one copy of the receipt or deposit
10 slip shall be retained by the treasurer or authorized person
11 making the deposit and the other copy shall be filed monthly on
12 the first day of each month with that board of finance. When
13 deposits are made by a county or municipal treasurer, one of
14 the duplicate receipts or deposit slips shall be retained by
15 the treasurer making the deposit and the other copy shall be
16 filed monthly on the first day of each month with the secretary
17 of the board of finance of the county or municipality for which
18 that treasurer is acting.

19 E. "Deposit", as used in this section, means either
20 investment or deposit and includes share, share certificate and
21 share draft.

22 F. County or municipal treasurers or school
23 district designees, with the advice and consent of their
24 respective boards of finance charged with the supervision and
25 control of the respective funds, may invest all sinking funds

1 or money remaining unexpended from the proceeds of any issue of
 2 bonds or other negotiable securities of any county,
 3 municipality or school district that is entrusted to their care
 4 and custody and all money not immediately necessary for the
 5 public uses of the counties, municipalities or school districts
 6 not invested or deposited in banks, savings and loan
 7 associations or credit unions in:

8 (1) bonds or negotiable securities of the
 9 United States, the state or a county, municipality or school
 10 district that has a taxable valuation of real property for the
 11 last preceding year of at least one million dollars
 12 (\$1,000,000) and that has not defaulted in the payment of any
 13 interest or sinking fund obligation or failed to meet any bonds
 14 at maturity at any time within five years last preceding; or

15 (2) securities that are issued by the United
 16 States government or by its agencies or instrumentalities and
 17 that are either direct obligations of the United States, the
 18 federal home loan mortgage ~~[association]~~ corporation, the
 19 federal national mortgage association, the federal farm credit
 20 bank or federal home loan banks [~~or the student loan marketing~~
 21 ~~association]~~ or that are backed by the full faith and credit of
 22 the United States government.

23 G. The treasurer of a class A county or the
 24 treasurer of a municipality having a population of more than
 25 sixty-five thousand according to the most recent federal

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1 decennial census and located within a class A county, or the
2 designee of a school district having a student enrollment of
3 more than three thousand, with the advice and consent of the
4 boards of finance charged with the supervision and control of
5 the funds, may invest all sinking funds or money remaining
6 unexpended from the proceeds of any issue of bonds or other
7 negotiable securities of the county or municipality that is
8 entrusted to the treasurer's care and custody and all money not
9 immediately necessary for the public uses of the county or
10 municipality not invested or deposited in banks, savings and
11 loan associations or credit unions in:

12 (1) shares of a diversified investment company
13 registered pursuant to the federal Investment Company Act of
14 1940 that invests in fixed-income securities or debt
15 instruments that are listed in a nationally recognized, broad-
16 market, fixed-income-securities market index; provided that the
17 investment company or manager has total assets under management
18 of at least one hundred million dollars (\$100,000,000) and
19 provided that the board of finance of the county or
20 municipality may allow reasonable administrative and investment
21 expenses to be paid directly from the income or assets of these
22 investments;

23 (2) individual, common or collective trust
24 funds of banks or trust companies that invest in fixed-income
25 securities or debt instruments that are listed in a nationally

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1 recognized, broad-market, fixed-income-securities market index;
2 provided that the investment company or manager has total
3 assets under management of at least one hundred million dollars
4 (\$100,000,000) and provided that the board of finance of the
5 county or municipality may allow reasonable administrative and
6 investment expenses to be paid directly from the income or
7 assets of these investments; or

8 (3) shares of pooled investment funds managed
9 by the state investment officer, as provided in Subsection E of
10 Section 6-8-7 NMSA 1978; provided that the board of finance of
11 the county or municipality may allow reasonable administrative
12 and investment expenses to be paid directly from the income or
13 assets of these investments.

14 H. A local public body, with the advice and consent
15 of the body charged with the supervision and control of the
16 local public body's respective funds, may invest all sinking
17 funds or money remaining unexpended from the proceeds of any
18 issue of bonds or other negotiable securities of the investor
19 that is entrusted to the local public body's care and custody
20 and all money not immediately necessary for the public uses of
21 the investor and not otherwise invested or deposited in banks,
22 savings and loan associations or credit unions in contracts
23 with banks, savings and loan associations or credit unions for
24 the present purchase and resale at a specified time in the
25 future of specific securities at specified prices at a price

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1 differential representing the interest income to be earned by
2 the investor. The contract shall be fully secured by
3 obligations of the United States or other securities backed by
4 the United States having a market value of at least one hundred
5 two percent of the contract. The collateral required for
6 investment in the contracts provided for in this subsection
7 shall be shown on the books of the financial institution as
8 being the property of the investor and the designation shall be
9 contemporaneous with the investment. As used in this
10 subsection, "local public body" includes all political
11 subdivisions of the state and agencies, instrumentalities and
12 institutions thereof; provided that home rule municipalities
13 that prior to July 1, 1994 had enacted ordinances authorizing
14 the investment of repurchase agreements may continue investment
15 in repurchase agreements pursuant to those ordinances.

16 I. The state treasurer, with the advice and consent
17 of the state board of finance, may invest money held in demand
18 deposits and not immediately needed for the operation of state
19 government and money held in the participating government
20 investment fund, except as provided in Section 6-10-10.1 NMSA
21 1978. The investments may be made in securities that are
22 issued by the United States government or by its departments or
23 agencies and are either direct obligations of the United States
24 or are backed by the full faith and credit of the United States
25 government or agencies sponsored by the United States

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1 government.

2 J. The state treasurer, with the advice and consent
3 of the state board of finance, may also invest in contracts for
4 the present purchase and resale at a specified time in the
5 future, not to exceed one year or, in the case of bond
6 proceeds, not to exceed three years, of specific securities at
7 specified prices at a price differential representing the
8 interest income to be earned by the state. Such contract shall
9 not be invested in unless the contract is fully secured by
10 obligations of the United States or its agencies or
11 instrumentalities or by other securities backed by the United
12 States or its agencies or instrumentalities having a market
13 value of at least one hundred two percent of the amount of the
14 contract. The securities required as collateral under this
15 subsection shall be delivered to a third-party custodian bank
16 pursuant to a contract with the state and the counterparty or
17 to the fiscal agent of New Mexico or its designee. Delivery
18 shall be made simultaneously with the transfer of funds or as
19 soon as practicable, but no later than the same day that the
20 funds are transferred.

21 K. The state treasurer, with the advice and consent
22 of the state board of finance, may also invest in contracts for
23 the temporary exchange of state-owned securities for the use of
24 broker-dealers, banks or other recognized institutional
25 investors in securities, for periods not to exceed one year for

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1 a specified fee rate. Such contract shall not be invested in
2 unless the contract is fully secured by exchange of an
3 irrevocable letter of credit running to the state, cash or
4 equivalent collateral of at least one hundred two percent of
5 the market value of the securities plus accrued interest
6 temporarily exchanged. The collateral required by this
7 subsection shall be delivered to the fiscal agent of New Mexico
8 or its designee simultaneously with the transfer of funds or as
9 soon as practicable, but no later than the same day that the
10 state-owned securities are transferred.

11 L. Neither of the contracts in Subsection J or K of
12 this section shall be invested in unless the contracting bank,
13 brokerage firm or recognized institutional investor has a net
14 worth in excess of five hundred million dollars (\$500,000,000).

15 M. The state treasurer, with the advice and consent
16 of the state board of finance, may also invest in any of the
17 following investments in an amount not to exceed forty percent
18 of any fund that the state treasurer invests:

19 (1) commercial paper rated "prime" quality by
20 a national rating service, issued by corporations organized and
21 operating within the United States;

22 (2) medium-term notes and corporate notes with
23 a maturity not exceeding five years that are rated A or its
24 equivalent or better by a nationally recognized rating service
25 and that are issued by a corporation organized and operating in

1 the United States; or

2 (3) an asset-backed obligation with a maturity
3 not exceeding five years that is rated AAA or its equivalent by
4 a nationally recognized rating service.

5 N. The state treasurer, with the advice and consent
6 of the state board of finance, may also invest in:

7 (1) shares of an open-ended diversified
8 investment company that:

9 (a) is registered with the United States
10 securities and exchange commission;

11 (b) complies with the diversification,
12 quality and maturity requirements of Rule 2a-7, or any
13 successor rule, of the United States securities and exchange
14 commission applicable to money market mutual funds; and

15 (c) assesses no fees pursuant to Rule
16 12b-1, or any successor rule, of the United States securities
17 and exchange commission, no sales load on the purchase of
18 shares and no contingent deferred sales charge or other similar
19 charges, however designated, provided that the state shall not,
20 at any time, own more than five percent of a money market
21 mutual fund's assets;

22 (2) individual, common or collective trust
23 funds of banks or trust companies that invest in United States
24 fixed-income securities or debt instruments authorized pursuant
25 to Subsections I, J and M of this section, provided that the

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1 investment manager has assets under management of at least one
2 billion dollars (\$1,000,000,000) and the investments made by
3 the state treasurer pursuant to this paragraph are less than
4 five percent of the assets of the individual, common or
5 collective trust fund; or

6 (3) the participating government investment
7 fund managed by the office of the state treasurer. Investments
8 made pursuant to this paragraph shall be less than five percent
9 of the total assets of the participating government investment
10 fund.

11 O. Public funds to be invested in negotiable
12 securities or loans to financial institutions fully secured by
13 negotiable securities at current market value shall not be paid
14 out unless there is a contemporaneous transfer of the
15 securities at the earliest time industry practice permits, but
16 in all cases, settlement shall be on a same-day basis either by
17 physical delivery or, in the case of uncertificated securities,
18 by appropriate book entry on the books of the issuer, to the
19 purchaser or to a reputable safekeeping financial institution
20 acting as agent or trustee for the purchaser, which agent or
21 trustee shall furnish timely confirmation to the purchaser.

22 P. As used in this section "school district
23 designee" means the school district or charter school employee
24 who has been designated by the superintendent of a school
25 district or head administrator of a charter school to handle

1 the funds of the school board or governing board."

2 **SECTION 3.** Section 6-10-36 NMSA 1978 (being Laws 1977,
3 Chapter 136, Section 1, as amended) is amended to read:

4 "6-10-36. PUBLIC MONEY DEPOSITS OF CERTAIN GOVERNMENTAL
5 UNITS--DISTRIBUTION--INTEREST.--

6 A. All public money, except that in the custody of
7 the state treasurer, institutions of higher education,
8 technical and vocational institutes, incorporated
9 municipalities and counties that have adopted home rule
10 charters as authorized by the constitution of New Mexico and
11 local school boards and governing bodies of charter schools
12 that have been designated as boards of finance, shall be
13 deposited in qualified depositories in accordance with the
14 terms of this section or invested as otherwise provided by law.

15 B. Deposits of funds of a governmental unit may be
16 made in noninterest-bearing checking accounts in one or more
17 banks or savings and loan associations designated as checking
18 depositories located within the geographical boundaries of the
19 governmental unit. In addition, deposits of funds may be in
20 noninterest-bearing checking accounts in one or more credit
21 unions designated as checking depositories located within the
22 geographical boundaries of the governmental unit to the extent
23 the deposits are insured by an agency of the United States. If
24 there is no checking depository within the geographical
25 boundaries of the governmental unit, one or more banks, savings

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1 and loan associations or credit unions within the county in
2 which the principal office of the governmental unit is located
3 may be so designated, but credit union deposits shall be
4 insured by an agency of the United States.

5 C. Public money placed in interest-bearing deposits
6 in banks, [~~and~~] savings and loan associations or credit unions
7 shall be [~~equitably~~] proportionately distributed among all
8 banks [~~and~~], savings and loan associations and credit unions
9 pursuant to the formula established by the director of the
10 financial institutions division of the regulation and licensing
11 department:

12 (1) having their main or staffed branch
13 offices within the geographical boundaries of the governmental
14 unit;

15 (2) that have qualified as public depositories
16 by reason of insurance of the account by an agency of the
17 United States or by depositing collateral security or by giving
18 bond as provided by law, except that deposits of credit unions
19 must be insured by an agency of the United States; and

20 (3) that [~~desire~~] request a deposit of public
21 money pursuant to this section.

22 D. The deposits shall be in the proportion that the
23 deposits in offices located within the geographical boundaries
24 of the governmental unit of each [~~bank's or~~] bank, savings and
25 loan [~~association's~~] association or credit union that requests

1 to receive deposits bears to the total deposits in offices
2 located within the geographical boundaries of the governmental
3 unit of all banks, [and] savings and loan associations and
4 credit unions that have their main office or staffed branch
5 office within the geographical boundaries of the governmental
6 unit and that [desire] have a main or staffed branch within the
7 geographical boundaries of the governmental unit and that have
8 their main office or staffed branch office within the
9 geographical boundaries of the governmental unit and that
10 request a deposit of public money pursuant to this section.

11 ~~[The deposits of the main office of a savings and loan~~
12 ~~association and its staffed branch offices within the~~
13 ~~geographical boundaries of a governmental unit is the total~~
14 ~~deposits of the association multiplied by the percentage that~~
15 ~~deposits of the main office and the staffed branch offices~~
16 ~~located within the geographical boundaries of the governmental~~
17 ~~unit are of the total deposits of the association, net of any~~
18 ~~public fund deposits. The deposits of each staffed branch~~
19 ~~office or aggregate of staffed branch offices of a savings and~~
20 ~~loan association located outside the geographical boundaries of~~
21 ~~the governmental unit in which the main office is located is~~
22 ~~the total deposits of the association multiplied by the~~
23 ~~percentage that deposits of the branch or the aggregate of~~
24 ~~branches located outside the geographical boundaries of the~~
25 ~~governmental unit in which the main office is located are of~~

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1 ~~the total deposits of the association, net of any public fund~~
2 ~~deposits.]~~ The director of the financial institutions division
3 of the regulation and licensing department shall promulgate a
4 formula for determining the deposits of banks', savings and
5 loan associations' and credit unions' main offices and branches
6 for the purposes of distribution of public money as provided
7 for by this section.

8 ~~[D. Public money may be placed at the discretion of~~
9 ~~the designated board of finance or treasurer in interest-~~
10 ~~bearing deposits in credit unions having their main or staffed~~
11 ~~branch offices within the geographical boundaries of the~~
12 ~~governmental unit to the extent the deposits are insured by an~~
13 ~~agency of the United States.]~~

14 E. The rate of interest for all public money
15 deposited in interest-bearing accounts in banks, savings and
16 loan associations and credit unions shall be set by the state
17 board of finance, but in no case shall the rate of interest be
18 less than ~~[one hundred percent of the asked price on]~~ would be
19 earned by investing the funds in United States treasury bills
20 of the same maturity on the day of deposit. Any bank or
21 savings and loan association that fails to pay the minimum rate
22 of interest at the time of deposit provided for in this
23 subsection for any respective deposit forfeits its right to an
24 equitable share of that deposit under this section. If the
25 deposit is part or all of the proceeds of a bond issue and the

1 interest rate prescribed in this subsection materially exceeds
 2 the rate of interest of the bonds, the interest rate prescribed
 3 by this subsection shall be reduced on that deposit to an
 4 amount not materially exceeding the interest rate of the bonds
 5 if the bond issue would lose its tax-exempt status pursuant to
 6 the provisions of the Internal Revenue Code of 1986, as
 7 amended.

8 F. Public money in excess of that for which banks,
 9 savings and loan associations and credit unions within the
 10 geographical boundaries of the governmental unit have qualified
 11 may be deposited in qualified depositories in other areas
 12 within the state under the same requirements for payment of
 13 interest as if the money were deposited within the geographical
 14 boundaries of the governmental unit or may be invested as
 15 provided by law.

16 G. The department of finance and administration
 17 may monitor the deposits of public money by governmental
 18 units to assure full compliance with the provisions of this
 19 section."

20 SECTION 4. Section 22-8-40 NMSA 1978 (being Laws 1977,
 21 Chapter 136, Section 2, as amended) is amended to read:

22 "22-8-40. DEPOSIT OF PUBLIC SCHOOL FUNDS--
 23 DISTRIBUTION--INTEREST.--

24 A. [All] Public money in the custody of school
 25 districts or state-chartered charter schools that have been

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1 designated as boards of finance [~~shall~~] may be deposited in
2 qualified depositories in accordance with the [~~terms of this~~
3 ~~section.~~

4 ~~B. Deposits of funds of the school district or~~
5 ~~state-chartered charter school may be made in noninterest-~~
6 ~~bearing checking accounts in one or more banks, savings and~~
7 ~~loan associations or credit unions, as long as the credit~~
8 ~~union deposits are insured by an agency of the United States,~~
9 ~~located within the geographical limits of the school~~
10 ~~district.~~

11 ~~C. Deposits of funds of the school district or~~
12 ~~state-chartered charter school may be made in interest-~~
13 ~~bearing checking accounts, commonly known as "NOW" accounts,~~
14 ~~in one or more banks, savings and loan associations or credit~~
15 ~~unions, as long as the credit union deposits are insured by~~
16 ~~an agency of the United States, located within the~~
17 ~~geographical limits of the school district.~~

18 ~~D. Public money placed in interest-bearing~~
19 ~~deposits, in banks and savings and loan associations, other~~
20 ~~than interest-bearing checking accounts as defined in~~
21 ~~Subsection C of this section, shall be equitably distributed~~
22 ~~among all banks and savings and loan associations having~~
23 ~~their main or manned branch offices within the geographical~~
24 ~~boundaries of the school district that have qualified as~~
25 ~~public depositories by reason of insurance of the account by~~

1 ~~an agency of the United States or by depositing collateral~~
2 ~~security or by giving bond as provided by law in the~~
3 ~~proportion that each such bank's or savings and loan~~
4 ~~association's net worth bears to the total net worth of all~~
5 ~~banks and savings and loan associations having their main~~
6 ~~office or a manned branch office within the geographical~~
7 ~~boundaries of the school district. The net worth of the main~~
8 ~~office of a savings and loan association and its manned~~
9 ~~branch offices within the geographical boundaries of a school~~
10 ~~district is the total net worth of the association multiplied~~
11 ~~by the percentage that deposits of the main office and the~~
12 ~~manned branch offices located within the geographical~~
13 ~~boundaries of the school district are of the total deposits~~
14 ~~of the association. The net worth of each manned branch~~
15 ~~office or aggregate of manned branch offices of a savings and~~
16 ~~loan association located outside the geographical boundaries~~
17 ~~of the school district in which the main office is located is~~
18 ~~the total net worth of the association multiplied by the~~
19 ~~percentage that deposits of the branch or aggregate of~~
20 ~~branches located outside the geographical boundaries of the~~
21 ~~school district in which the main office is located are of~~
22 ~~the total deposits of the association. The director of the~~
23 ~~financial institutions division of the regulation and~~
24 ~~licensing department shall promulgate a formula for~~
25 ~~determining the net worth of banks' main offices and branches~~

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1 ~~for the purposes of distribution of public money as provided~~
2 ~~for by this section. "Net worth" means assets less~~
3 ~~liabilities as reported by such banks and savings and loan~~
4 ~~associations on their most recent semiannual reports to the~~
5 ~~state or federal supervisory authority having jurisdiction.~~

6 ~~E. Notwithstanding the provisions of Subsection D~~
7 ~~of this section, public money may be placed in interest-~~
8 ~~bearing deposits, other than interest-bearing checking~~
9 ~~accounts as defined in Subsection C of this section, at the~~
10 ~~discretion of the board of finance, in credit unions having~~
11 ~~their main or manned branch offices within the geographical~~
12 ~~boundaries of the school district to the extent such deposits~~
13 ~~are insured by an agency of the United States.~~

14 ~~F. The rate of interest for all public money~~
15 ~~deposited in interest-bearing accounts in banks, savings and~~
16 ~~loan associations and credit unions shall be set by the state~~
17 ~~board of finance, but in no case shall the rate of interest~~
18 ~~be less than one hundred percent of the asked price on United~~
19 ~~States treasury bills of the same maturity on the date of~~
20 ~~deposit. Any bank or savings and loan association that fails~~
21 ~~to pay the minimum rate of interest at the time of deposit~~
22 ~~provided for herein for any respective deposit forfeits its~~
23 ~~right to an equitable share of that deposit under this~~
24 ~~section.] provisions of Section 6-10-36 NMSA 1978; provided~~
25 that, if the deposit is part or all of the proceeds of a bond

1 issue and the interest rate [~~prescribed in this subsection~~]
2 materially exceeds the rate of interest of the bonds, the
3 interest rate [~~prescribed by this subsection~~] shall be
4 reduced on the deposit to an amount not materially exceeding
5 the interest rate of the bonds if the bond issue would lose
6 its tax-exempt status under Section 103 of the United States
7 Internal Revenue Code [~~of 1954~~], as amended.

8 [G.] B. Public money in excess of that for which
9 banks [~~and~~], savings and loan associations and credit unions
10 within the geographical boundaries of the school district
11 have qualified may be deposited in qualified depositories,
12 including credit unions, in other areas within the state
13 under the same requirements for payment of interest as if the
14 money were deposited within the geographical boundaries of
15 the school district.

16 [H.] C. The board of finance of the school
17 district or state-chartered charter school may temporarily
18 invest money held in demand deposits and not immediately
19 needed for the operation of the school district or state-
20 chartered charter school [~~Such temporary investments shall be~~
21 ~~made only in securities that are issued by the state or by~~
22 ~~the United States government, or by their departments or~~
23 ~~agencies, and that are either direct obligations of the state~~
24 ~~or the United States or are backed by the full faith and~~
25 ~~credit of those governments] in investments permitted by~~

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1 Section 6-10-10 NMSA 1978.

2 [~~F~~] D. The department of finance and
3 administration may monitor the deposits of public money by
4 school districts or state-chartered charter schools to assure
5 full compliance with the provisions of this section."

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[bracketed material] = delete