

HOUSE MEMORIAL 75

53RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2017

INTRODUCED BY

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A MEMORIAL

REQUESTING THE STATE INVESTMENT COUNCIL TO AVOID INVESTING IN COMPANIES THAT ARE INVOLVED IN CONSTRUCTION OF A BORDER WALL BETWEEN THE UNITED STATES AND MEXICO.

WHEREAS, the federal government has announced plans to build a wall along the roughly two-thousand-mile border between the United States and Mexico; and

WHEREAS, the United States department of homeland security estimates that the proposed wall along the United States-Mexico border will cost as much as twenty-one billion six hundred million dollars (\$21,600,000,000) to construct and take more than three years to complete; and

WHEREAS, under the federal government's proposal, the United States congress will initially authorize the United States to pay for the cost of the wall, to be reimbursed later

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1 by the Mexican government; and

2 WHEREAS, if the federal government follows through with
3 its plan, the border wall will represent a major construction
4 project requiring substantial manpower and construction
5 materials; and

6 WHEREAS, the state investment council manages New Mexico's
7 twenty-billion-five-hundred million-dollar (\$20,500,000,000)
8 permanent endowment, including the land grant and severance tax
9 permanent funds, as well as investments for twenty-one other
10 governmental clients; and

11 WHEREAS, the purpose of the state investment council is to
12 manage the state's permanent funds for the residents of New
13 Mexico and to maximize distributions to the state's operating
14 budget while preserving the real value of the funds for future
15 generations of New Mexicans; and

16 WHEREAS, the state investment council and the investment
17 office are governed by the Uniform Prudent Investor Act; and

18 WHEREAS, under that act, investment and management
19 decisions respecting individual assets are not evaluated in
20 isolation but in the context of the portfolio as a whole and as
21 part of an overall investment strategy having risk and return
22 objectives reasonably suited to the state investment council;
23 and

24 WHEREAS, possible legislative and other changes may be
25 needed by the state investment council to exclude companies

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1 hired to construct the border wall from the state investment
2 council's investment choices and in compliance with the Uniform
3 Prudent Investor Act; and

4 WHEREAS, when two companies are equally situated in all
5 respects, it would be beneficial for the state investment
6 council to consider whether the companies are involved in the
7 construction of the border wall when making investment choices;

8 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF
9 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the state
10 investment council be requested to study possible necessary
11 legislative and other changes to exclude companies hired to
12 construct the United States-Mexico border wall from the state
13 investment council's investment choices while complying with
14 the Uniform Prudent Investor Act; and

15 BE IT FURTHER RESOLVED that when two companies are equally
16 situated in all respects, that the state investment council be
17 requested to consider whether the companies are involved in the
18 construction of the border wall when making investment choices;
19 and

20 BE IT FURTHER RESOLVED that a copy of this memorial be
21 transmitted to the state investment officer of the state
22 investment council.