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BILL

**50TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2011**

INTRODUCED BY

DISCUSSION DRAFT

AN ACT

RELATING TO INVESTMENTS OF PUBLIC MONEY; AUTHORIZING THE STATE  
INVESTMENT COUNCIL TO ESTABLISH A PROGRAM FOR STUDENT  
INVESTMENT OF STATE FUNDS UNDER COUNCIL MANAGEMENT.

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

SECTION 1. A new section of Chapter 6, Article 8 NMSA  
1978 is enacted to read:

"~~[NEW MATERIAL]~~ STUDENT INVESTMENT PROGRAM.--The council  
may establish a student investment program for funds under the  
council's management to be invested by students of the  
university of New Mexico and New Mexico state university. The  
initial allocation of funds for the student investment program  
at each university shall be five million dollars (\$5,000,000).  
The council shall establish policies for the student investment  
program, which shall address:

.183237.2SA

underscored material = new  
[bracketed material] = delete

- 1           A. investment objectives;
- 2           B. eligible securities;
- 3           C. prohibited securities and investment strategies;
- 4           D. asset allocation prescriptions;
- 5           E. investment horizons and liquidity needs;
- 6           F. risk tolerance;
- 7           G. return expectations;
- 8           H. trading protocols;
- 9           I. recordkeeping;
- 10          J. reporting and oversight;
- 11          K. fiduciary duties;
- 12          L. standards of ethics and conduct; and
- 13          M. fees."