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SENATE BILL 460

49TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2009

INTRODUCED BY

Steven P. Neville

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:

~~[A.]~~ (1) the governor;

~~[B.]~~ (2) the state treasurer;

~~[C.]~~ (3) the commissioner of public lands;

~~[D.]~~ (4) the secretary;

~~[E.] three public members appointed by the
governor with the advice and consent of the senate;~~

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1 F.] (5) the state investment officer; [and

2 G. ~~the chief financial officer of a state~~
3 ~~institution of higher education appointed by the governor with~~
4 ~~the advice and consent of the senate.]~~

5 (6) one public member appointed by the
6 president pro tempore of the senate with the advice and consent
7 of the senate;

8 (7) one public member appointed by the
9 minority floor leader of the senate with the advice and consent
10 of the senate;

11 (8) one public member appointed by the speaker
12 of the house of representatives with the advice and consent of
13 the senate;

14 (9) one public member appointed by the
15 minority floor leader of the house of representatives with the
16 advice and consent of the senate; and

17 (10) four public members appointed by the
18 majority of the other nine members, with the advice and consent
19 of the senate.

20 B. The [chairman] chair of the council shall be the
21 governor. All actions of the council shall be by majority
22 vote, and at least [three] five members appointed pursuant to
23 [~~Subsections E and G~~] Paragraphs (6) through (10) of Subsection
24 A of this section must be present to constitute a quorum.

25 C. Members of the council appointed pursuant to

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1 Paragraphs (6) through (10) of Subsection [E] A of this section
2 shall be reimbursed per diem and mileage pursuant to the
3 provisions of the Per Diem and Mileage Act."

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

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

7 A. Members of the council appointed [~~by the~~
8 ~~governor~~] pursuant to Paragraphs (6) through (10) of Subsection
9 A of Section 6-8-2 NMSA 1978, with the advice and consent of
10 the senate, shall serve for staggered terms of five years.
11 Members of the council shall serve until their successors are
12 appointed and have qualified.

13 B. The members of the council appointed pursuant to
14 Paragraphs (6) through (10) of Subsection [E] A of Section
15 6-8-2 NMSA 1978 shall be qualified by competence and experience
16 in the field of investment or finance. During tenure, a member
17 of the council shall not be engaged in any capacity in the sale
18 of securities to the state. Members of the council and
19 officers and employees of the council shall be governed by the
20 provisions of the [~~Conflict of Interest~~] Governmental Conduct
21 Act. Nothing in this section or in the [~~Conflict of Interest~~]
22 Governmental Conduct Act shall be construed as prohibiting an
23 officer of a financial institution from participating as a
24 member of the council in setting general policies of the
25 council, nor shall any provision of the [~~Conflict of Interest~~]

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1 Governmental Conduct Act prohibit the council or the state
2 treasurer from depositing funds under the jurisdiction of the
3 council in any financial institution. A council member shall
4 not hold an office or employment in a political party.

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

14 Section 3. TEMPORARY PROVISION--TRANSITION MEMBERSHIP OF
15 STATE INVESTMENT COUNCIL.--

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

19 B. On July 1, 2009, members may be appointed
20 pursuant to Paragraphs (6) through (9) of Subsection A of
21 Section 6-8-2 NMSA 1978 and shall serve on an interim basis
22 until confirmed by the senate; provided that, the initial
23 appointees shall, by lot, determine the terms of office for
24 each position so that one position will be for an initial term
25 of one year, two positions will be for initial terms of three

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1 years and one position will be for an initial term of five
2 years. Thereafter, the terms shall be for five years.

3 C. After the appointments pursuant to Subsection B
4 of this section, the members, including the members serving on
5 an interim basis, shall select one of the members pursuant to
6 Paragraph (10) of Subsection A of Section 6-8-2 NMSA 1978, who
7 shall serve on an interim basis until confirmed by the senate
8 and whose term shall be for five years. The other three
9 members shall be appointed pursuant to Paragraph (10) of
10 Subsection A of Section 6-8-2 NMSA 1978 as the terms of the
11 public members serving on July 1, 2009 expire.

12 Section 4. EFFECTIVE DATE.--The effective date of the
13 provisions of this act is July 1, 2009.