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SENATE BILL 17

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

INTRODUCED BY

Timothy M. Keller

FOR THE INVESTMENTS OVERSIGHT COMMITTEE

AN ACT

RELATING TO PUBLIC FINANCE; REMOVING THE GOVERNOR FROM 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)]~~ (1) the state treasurer;

~~[(3)]~~ (2) the commissioner of public lands;

~~[(4)]~~ (3) the secretary;

~~[(5)]~~ (4) the chief financial officer of a

state institution of higher education appointed by the governor

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1 with the advice and consent of the senate;

2 [~~(6)~~] (5) four members appointed by the New
3 Mexico legislative council with the advice and consent of the
4 senate; provided that no more than two members shall be members
5 of the same political party; and

6 [~~(7)~~] (6) two members appointed by the
7 governor with the advice and consent of the senate.

8 B. The chair [~~of the council shall be the governor~~]
9 and the vice chair of the council shall be selected by the
10 council from among the members appointed pursuant to Paragraphs
11 (5) and (6) of Subsection A of this section. All actions of
12 the council shall be by majority vote, and a majority of the
13 members shall constitute a quorum.

14 C. Members of the council appointed pursuant to
15 Paragraphs (5) and (6) [~~and (7)~~] of Subsection A of this
16 section shall be reimbursed per diem and mileage pursuant to
17 the 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 (5) and (6) [~~and (7)~~] of Subsection A of Section
23 6-8-2 NMSA 1978, with the advice and consent of the senate,
24 shall serve for staggered terms of five years. Members of the
25 council shall serve until their successors are appointed and

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1 have qualified.

2 B. The members of the council appointed pursuant to
3 Paragraphs (5) and (6) [~~and (7)~~] 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, the
8 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 depositing
24 funds under the jurisdiction of the council in any financial
25 institution. A council member shall not hold an office or

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1 employment in a political party.

2 C. The member appointed pursuant to Paragraph [~~(5)~~]
3 (4) of Subsection A of Section 6-8-2 NMSA 1978 shall serve at
4 the pleasure of the governor. A member of the council
5 appointed pursuant to Paragraphs (5) and (6) [~~and (7)~~] of
6 Subsection A of Section 6-8-2 NMSA 1978 may be removed from the
7 council by the appointing person or entity, for failure to
8 attend three consecutive meetings or other cause, in the manner
9 provided for removal of members of boards of regents under
10 Article 12, Section 13 of the constitution of New Mexico. A
11 vacancy in the membership of the council occurring other than
12 by expiration of term shall be filled in the same manner as the
13 original appointment but for the unexpired term only."

14 SECTION 3. EFFECTIVE DATE.--The effective date of the
15 provisions of this act is July 1, 2011.