

SENATE RULES COMMITTEE SUBSTITUTE FOR
SENATE BILL 25

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

AN ACT

RELATING TO PUBLIC FINANCES; REQUIRING THE STATE INVESTMENT
COUNCIL TO FORM A SUBCOMMITTEE TO EVALUATE ECONOMICALLY
TARGETED INVESTMENTS; REPEALING THE PRIVATE EQUITY INVESTMENT
ADVISORY COMMITTEE.

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] SUBCOMMITTEE ON ECONOMICALLY TARGETED
INVESTMENTS.--

A. The council shall establish a subcommittee of
council members to evaluate economically targeted investments
made by the council. The subcommittee shall:

(1) establish a disclosure and transparency
policy for economically targeted investments. Standards in the

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1 policy shall meet or exceed industry and institutional
2 investment reporting standards, but shall not jeopardize
3 investments or create an increased risk of legal liability to
4 the subcommittee or the council due to disclosure provisions in
5 preexisting contracts or investment agreements; and

6 (2) review and make recommendations to the
7 council on economically targeted investments. The subcommittee
8 shall identify performance measures, and for each economically
9 targeted investment made by the council, the subcommittee, its
10 investment consultant or a qualified third party with expertise
11 in economic analysis shall track:

12 (a) the estimated impact of the
13 investment on the economy;

14 (b) the return on investment of the
15 investment;

16 (c) the number of jobs created as a
17 result of or due in part to the investment; and

18 (d) other economic impacts of the
19 investment.

20 B. As used in this section, "economically targeted
21 investment" means an investment made with the collateral intent
22 to assist in the improvement of the economic well-being of New
23 Mexico, its localities and residents and selected for its
24 economic benefit in addition to its investment return."

25 SECTION 2. REPEAL.--Section 6-8-20 NMSA 1978 (being Laws

.184452.2

1 1987, Chapter 219, Section 3, as amended) is repealed.

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

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