

HOUSE FLOOR SUBSTITUTE FOR  
HOUSE TAXATION AND REVENUE COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 289

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;  
CHANGING THE COMPOSITION OF THE STATE INVESTMENT COUNCIL;  
CHANGING THE POWERS AND DUTIES OF THE STATE INVESTMENT COUNCIL  
AND STATE INVESTMENT OFFICER; CHANGING THE METHOD OF  
APPOINTMENT OF PUBLIC MEMBERS OF THE STATE INVESTMENT COUNCIL;  
DECLARING AN EMERGENCY.

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;

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underscoring material = new  
[bracketed material] = delete

- 1                   ~~[G.]~~ (3) the commissioner of public lands;  
2                   ~~[D.]~~ (4) the secretary;  
3                   ~~[E.] three public members appointed by the~~  
4 ~~governor with the advice and consent of the senate;~~  
5                   ~~F.] the state investment officer; and~~  
6                   ~~G.]~~ (5) the chief financial officer of a state  
7 institution of higher education appointed by the governor with  
8 the advice and consent of the senate;  
9                   (6) four members appointed by the New Mexico  
10 legislative council with the advice and consent of the senate;  
11 provided that no more than two members shall be members of the  
12 same political party; and  
13                   (7) two members appointed by the governor with  
14 the advice and consent of the senate.

15                   B. The ~~[chairman]~~ chair of the council shall be the  
16 governor, and the vice chair shall be selected by the council.  
17 All actions of the council shall be by majority vote, and ~~[at~~  
18 ~~least three members appointed pursuant to Subsections E and G~~  
19 ~~of this section must be present to]~~ a majority of the members  
20 shall constitute a quorum.

21                   C. Members of the council appointed pursuant to  
22 Paragraphs (6) and (7) of Subsection ~~[E]~~ A of this section  
23 shall be reimbursed per diem and mileage pursuant to the  
24 provisions of the Per Diem and Mileage Act."

25                   Section 2. Section 6-8-3 NMSA 1978 (being Laws 1957,

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1 Chapter 179, Section 3, as amended) is amended to read:

2 "6-8-3. COUNCIL TERMS AND QUALIFICATIONS.--

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

9 B. The members of the council appointed pursuant to  
10 Paragraphs (6) and (7) of Subsection [E] A of Section 6-8-2  
11 NMSA 1978 shall be qualified by competence and no less than ten  
12 years experience in the field of investment or finance. [During  
13 tenure, a member of the council shall not be engaged in any  
14 capacity in the sale of securities to the state.] A member of  
15 the council shall not have had any contracts to do business  
16 with the state investment council, the investment office, the  
17 office of the state treasurer, the educational retirement  
18 board, the public employees retirement association, the New  
19 Mexico finance authority or the state board of finance for a  
20 period of two calendar years prior to the person's appointment  
21 to the council and shall not enter into any contracts to do  
22 business with any of the named state agencies or  
23 instrumentalities for a period of two calendar years after the  
24 end of the term for which the member was appointed. Members of  
25 the council and officers and employees of the council shall be

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1 governed by the provisions of the [~~Conflict of Interest~~]  
2 Governmental Conduct Act. Nothing in this section or in the  
3 [~~Conflict of Interest~~] Governmental Conduct Act shall be  
4 construed as prohibiting an officer of a financial institution  
5 from participating as a member of the council in setting  
6 general policies of the council, nor shall any provision of the  
7 [~~Conflict of Interest~~] Governmental Conduct Act prohibit the  
8 council or the state treasurer from depositing funds under the  
9 jurisdiction of the council in any financial institution. A  
10 council member shall not hold an office or employment in a  
11 political party.

12 C. The member appointed pursuant to Paragraph (5)  
13 of Subsection A of Section 6-8-2 NMSA 1978 shall serve at the  
14 pleasure of the governor. [~~Any~~] A member of the council  
15 appointed pursuant to Paragraph (6) or (7) of Subsection [E or  
16 G] A of Section 6-8-2 NMSA 1978 may be removed from the council  
17 by the [~~governor~~] appointing person or entity, for failure to  
18 attend three consecutive meetings or other cause, in the manner  
19 provided for removal of members of boards of regents under  
20 Article 12, Section 13 of the constitution of New Mexico. A  
21 vacancy in the membership of the council occurring other than  
22 by expiration of term shall be filled in the same manner as the  
23 original appointment but for the unexpired term only."

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

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1 "6-8-4. INVESTMENT OFFICE--STATE INVESTMENT OFFICER--  
2 TERMS.--

3 A. There is established an "investment office".  
4 The chief administrative officer of the office shall be known  
5 as the "state investment officer".

6 B. The state investment officer shall be appointed  
7 by the [~~governor with the advice and consent of the senate.~~  
8 ~~Recommendations as to his appointment shall be made to the~~  
9 ~~governor by the investment]~~ council. The state investment  
10 officer shall devote [~~his~~] the officer's entire time and  
11 attention to the duties of [~~his~~] that office and shall not  
12 engage in any other occupation or profession [~~nor shall he~~] or  
13 hold any other public office, appointive or elective. [~~He~~] The  
14 officer shall be a person qualified, by training and investment  
15 experience, to direct the work of the investment [~~division~~]  
16 office and shall have had at least five years' professional  
17 experience as an investment officer. [~~He~~] The officer shall  
18 receive a salary to be determined by the state investment  
19 council but in no case less than fifty thousand dollars  
20 (\$50,000) annually.

21 C. The state investment officer shall serve for an  
22 initial term of two years beginning July 1, 1981 and thereafter  
23 for terms of four years. The state investment officer may be  
24 removed from office by the [~~governor~~] council for cause [~~in the~~  
25 ~~manner provided for removal of members of boards of regents~~

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1 ~~under Article 12, Section 13 of the constitution of New~~  
2 ~~Mexico]."~~

3 Section 4. Section 6-8-7 NMSA 1978 (being Laws 1957,  
4 Chapter 179, Section 7, as amended by Laws 2005, Chapter 194,  
5 Section 1 and by Laws 2005, Chapter 240, Section 1) is amended  
6 to read:

7 "6-8-7. POWERS AND DUTIES OF THE STATE INVESTMENT COUNCIL  
8 AND STATE INVESTMENT OFFICER--INVESTMENT POLICY--INVESTMENT  
9 MANAGERS.--

10 A. Subject to the limitations, conditions and  
11 restrictions contained in policy-making regulations or  
12 resolutions adopted by the council, ~~[and subject to prior~~  
13 ~~authorization by]~~ the council ~~[the state investment officer]~~  
14 may make purchases, sales, exchanges, investments and  
15 reinvestments of the assets of all funds ~~[administered under~~  
16 ~~the supervision of the council]~~ in accordance with the Uniform  
17 Prudent Investor Act. The state investment officer and the  
18 council are trustees of all funds under their control and shall  
19 see that money invested is at all times handled in the best  
20 interests of the state. The council may delegate  
21 administrative functions to the state investment officer.

22 B. The state investment officer shall formulate and  
23 recommend to the council for approval investment regulations or  
24 resolutions pertaining to the kind or nature of investments and  
25 limitations, conditions and restrictions upon the methods,

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1 practices or procedures for investment, reinvestment, purchase,  
 2 sale or exchange transactions that should govern the activities  
 3 of the investment office.

4 C. The council shall meet at least once each month,  
 5 and as often as exigencies may demand, to consult with the  
 6 state investment officer concerning the work of the investment  
 7 office. The council shall have access to all files and records  
 8 of the investment office and shall require the state investment  
 9 officer to report on and provide information necessary to the  
 10 performance of council functions. The council may hire one or  
 11 more investment management firms to advise the council with  
 12 respect to the council's overall investment plan for the  
 13 investment of all funds managed by the investment office and  
 14 pay reasonable compensation for such advisory services from the  
 15 assets of the applicable funds, subject to budgeting and  
 16 appropriation by the legislature. The terms of any such  
 17 investment management services contract shall incorporate the  
 18 statutory requirements for investment of funds under the  
 19 council's jurisdiction.

20 D. The council shall provide an opportunity for  
 21 public comment at meetings of the council. Advance notice of  
 22 meetings shall be published on the council's web site and in a  
 23 newspaper of general circulation at least ten days in advance  
 24 of the meeting.

25 [~~D.~~] E. All funds managed by the state investment

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1 officer shall be managed in accordance with the Uniform Prudent  
2 Investor Act. [~~With the approval of~~] The council [~~the state~~  
3 ~~investment officer~~] may employ investment management services  
4 to invest the funds and may pay reasonable compensation for  
5 investment management services from the assets of the  
6 applicable funds, subject to budgeting and appropriation by the  
7 legislature.

8 F. The council, the state investment officer, any  
9 person providing investment advice to the council or state  
10 investment officer for a fee or other compensation and all  
11 persons exercising discretionary authority or control of funds  
12 under the management of the council are fiduciaries.

13 G. The council may select and contract for the  
14 services of one or more custodian banks for all funds under the  
15 council's management. For the purpose of this subsection,  
16 "custodian bank" means a financial institution with the general  
17 fiduciary duties to manage, control and collect the assets of  
18 an investment fund, including receiving all deposits and paying  
19 all disbursements as directed by staff, safekeeping of assets,  
20 coordination of asset transfers, timely settlement of  
21 securities transactions and accurate and timely reporting of  
22 the assets by individual account and in total.

23 [~~E.~~] H. For funds available for investment for more  
24 than one year, the [~~state investment officer~~] council may  
25 contract with any state agency to provide investment advisory



1 or investment management services, separately or through a  
 2 pooled investment fund, provided the state agency enters into a  
 3 joint powers agreement with the council and that state agency  
 4 pays at least the direct cost of such services.

5 Notwithstanding any statutory provision governing state agency  
 6 investments, the [~~state investment officer~~] council may invest  
 7 funds available from a state agency pursuant to a joint powers  
 8 agreement in any type of investment permitted for the land  
 9 grant permanent funds under the prudent investor rule. In  
 10 performing investment services for a state agency, the council  
 11 and the state investment officer are exempt from the New Mexico  
 12 Uniform Securities Act [~~of 1986~~]. As used in this subsection,  
 13 "state agency" means any branch, agency, department, board,  
 14 instrumentality, institution or political subdivision of the  
 15 state, the New Mexico finance authority, the New Mexico  
 16 mortgage finance authority and any tax-exempt private endowment  
 17 entity whose sole beneficiary is a state agency.

18 [~~F.~~] I. The state investment officer shall provide  
 19 quarterly performance reports to the legislative finance  
 20 committee. Annually, the state investment officer shall ratify  
 21 and provide written investment policies, including any  
 22 amendments, to the legislative finance committee."

23 Section 5. Section 6-8-14 NMSA 1978 (being Laws 1957,  
 24 Chapter 179, Section 14, as amended) is amended to read:

25 "6-8-14. MONTHLY REPORTS.--No later than ten days after

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1 the close of each month, the state investment officer shall  
2 submit to the secretary and the state investment council a  
3 report of the operations of the [~~division~~] office during the  
4 past month. Each report shall give a complete statement of the  
5 state investment portfolio as of the time of the report and in  
6 addition, shall include a detailed summary of the month's  
7 investment, reinvestment, purchase, sale and exchange  
8 transactions, setting forth the investments bought, sold or  
9 exchanged, the dates thereof, the prices paid or obtained, the  
10 names of the dealers involved, fees paid for each transaction,  
11 disclosure of contractor arrangements and a statement of the  
12 funds or accounts referred to herein. The reports shall also  
13 be circulated to a mailing list of investment bankers and  
14 brokers recommended by the council. The reports shall be  
15 published on the web sites of the council, the legislature and  
16 the department of finance and administration and shall be open  
17 for inspection to the public and the press in the office of the  
18 state investment officer."

19 Section 6. Section 6-8-20 NMSA 1978 (being Laws 1987,  
20 Chapter 219, Section 3, as amended) is amended to read:

21 "6-8-20. PRIVATE EQUITY INVESTMENT ADVISORY COMMITTEE  
22 CREATED--MEMBERSHIP--DUTIES--TERMS--LIABILITIES--CONFLICT OF  
23 INTEREST.--

24 A. There is created the "private equity investment  
25 advisory committee" to the council. The committee consists of

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1 the state investment officer, a member of the council appointed  
2 by the [~~governor~~] council and three members who are qualified  
3 by competence and experience in finance and investment and  
4 knowledgeable about the private equity investment process and  
5 who are appointed by the [~~governor~~] council.

6 B. Members appointed by the [~~governor~~] council,  
7 except the council member, shall be appointed for three-year  
8 terms; provided that the terms of the initial committee members  
9 shall be staggered so that the term of one member expires each  
10 year. After the initial appointments, all [~~governor~~] appointed  
11 members shall be appointed for three-year terms. Members shall  
12 serve until their successors are appointed. A vacancy  
13 occurring other than by expiration of term shall be filled in  
14 the same manner as the original appointment, but only for the  
15 unexpired term.

16 C. The committee shall review and make  
17 recommendations to the council on investments authorized  
18 pursuant to Sections 7-27-5.15 and 7-27-5.26 NMSA 1978 and all  
19 other private equity investments and shall advise the council  
20 in matters and policies related to such investments. The  
21 committee shall establish policies for national private equity  
22 fund investments, New Mexico private equity fund investments  
23 and New Mexico film private equity fund investments not less  
24 often than annually and shall make copies available to  
25 interested parties.

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1 D. Members of the committee shall receive per diem  
2 and mileage as provided for nonsalaried public officers in the  
3 Per Diem and Mileage Act and shall receive no other  
4 compensation, perquisite or allowance.

5 E. The committee shall elect annually a [~~chairman~~]  
6 chair from among its members and may elect other officers as  
7 necessary. The committee shall meet upon the call of the  
8 [~~chairman~~] chair or the state investment officer.

9 F. Members of the committee are public employees  
10 within the meaning of the Tort Claims Act and are entitled to  
11 all immunity and indemnification provided under that act.

12 G. A person shall not be a member of the committee  
13 if any recommendation, action or decision of the committee will  
14 or is likely to result in direct, measurable economic gain to  
15 that person or that person's employer.

16 H. The state investment officer may enter into  
17 contracts with investment advisors for private equity fund  
18 investments and film fund investments authorized pursuant to  
19 Sections 7-27-5.15 and 7-27-5.26 NMSA 1978 and all other  
20 private equity investments and may pay budgeted expenses for  
21 the advisors from the assets of any fund administered under the  
22 supervision of the council, as applicable.

23 I. As used in this section, "private equity  
24 investments" means any legal entity that has as its primary  
25 business activity the investment of funds in return for equity

1 in or debt of businesses for the purpose of providing capital  
 2 for startup, expansion, new product development,  
 3 recapitalization or a similar business purpose."

4 Section 7. Section 6-10-35 NMSA 1978 (being Laws 1934  
 5 (S.S.), Chapter 24, Section 3, as amended by Laws 1987, Chapter  
 6 79, Section 14 and by Laws 1987, Chapter 87, Section 1) is  
 7 amended to read:

8 "6-10-35. FISCAL AGENT OF NEW MEXICO--STATE CHECKING  
 9 DEPOSITORIES--STATE DEPOSITORIES--DESIGNATION BY BOARD OF  
 10 FINANCE.--

11 A. Except as otherwise provided by law, the state  
 12 board of finance may designate a bank or savings and loan  
 13 association doing business in this state and having an  
 14 unimpaired capital and surplus of at least one hundred fifty  
 15 thousand dollars (\$150,000) as the "fiscal agent of New  
 16 Mexico". The designation is subject to change, from time to  
 17 time, by the state board of finance; however, the board shall  
 18 formulate and adopt designation procedures, filed in accordance  
 19 with the State Rules Act, ~~[which]~~ that shall be adhered to on  
 20 each occasion of designation. The board, after it has  
 21 designated the ~~[state]~~ fiscal agent, shall apprise the  
 22 legislature of its action and, in addition to the name of the  
 23 designated fiscal agent, the communication shall include a  
 24 brief description of the designee's particular qualifications.

25 B. The bank or savings and loan association ~~[se]~~

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1 designated as the fiscal agent of New Mexico shall enter into  
2 an agreement with the state, acting through [~~its~~] the state  
3 board of finance, for:

4 (1) the collection for the state of all checks  
5 and other items received by the state on any account;

6 (2) the handling of the checking account of  
7 the state treasurer;

8 (3) the handling of all transfers of money in  
9 connection with the sale or retirement of bonds or obligations  
10 of the state or the purchase by the state of bonds or other  
11 securities;

12 (4) the investment of permanent or other funds  
13 of the state;

14 (5) the safekeeping of bonds or other  
15 securities belonging to or held by the state or any official  
16 [~~thereof~~] of the state;

17 (6) the rate of interest to be paid upon  
18 average daily balances of state funds; and

19 (7) acting as the agent of the state in fiscal  
20 matters generally, subject always to the supervision and  
21 approval of the state board of finance.

22 C. The agreement shall contain the terms and  
23 conditions [~~which~~] that are necessary, in the judgment of the  
24 state board of finance, for the proper conduct of the fiscal  
25 affairs of the state and the safekeeping of the money of the

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1 state.

2 D. The state board of finance shall require the  
 3 fiscal agent of New Mexico to furnish surety company bond or  
 4 securities of the kinds specified by law for the security of  
 5 deposits of public money in an amount not less than two million  
 6 five hundred thousand dollars (\$2,500,000) as security for the  
 7 safekeeping of the money of the state and the faithful  
 8 performance of its duties as the fiscal agent. The state board  
 9 of finance may adjust the amount of bond or security from time  
 10 to time, but in no event shall the bond or security be in an  
 11 amount less than two million five hundred thousand dollars  
 12 (\$2,500,000). No other bond or security is required of the  
 13 fiscal agent for the securing of funds deposited by the state  
 14 treasurer in the fiscal agency account, and the state treasurer  
 15 is not liable upon [~~his~~] the state treasurer's official bond on  
 16 account of [~~any~~] funds deposited in the fiscal agency account  
 17 when the account is so secured. Nothing in this section shall  
 18 prevent the bank or savings and loan association designated as  
 19 fiscal agent from also qualifying as a state depository [~~under~~  
 20 ~~Sections 11-2-18 NMSA 1953 or 6-10-30, 6-10-35 and 6-10-36]~~  
 21 pursuant to Chapter 6, Article 10 NMSA 1978.

22 E. Payment to the fiscal agent of New Mexico for  
 23 services performed may be made by the state board of finance  
 24 upon warrants drawn by the secretary [~~of finance and~~  
 25 ~~administration~~] upon the state treasury as provided by law for

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1 expenditure of state funds or by compensating balances or a  
2 combination thereof. The legislature shall appropriate funds  
3 to the state board of finance for this purpose annually.

4 F. The state board of finance may also designate,  
5 according to its adopted designation procedures, not more than  
6 two other banks or savings and loan associations doing business  
7 in this state as "state checking depositories" in which money  
8 necessary to meet the current obligations of the state may be  
9 deposited in temporary checking accounts. No bank or savings  
10 and loan association shall be so designated unless it has an  
11 unimpaired capital and surplus of at least one hundred fifty  
12 thousand dollars (\$150,000). Not more than twenty percent of  
13 all the state's money on hand shall be on deposit in all such  
14 checking accounts, including the checking account with the  
15 fiscal agent of New Mexico, for any period of time longer than  
16 is required to distribute the amount above twenty percent to  
17 applying, qualified depository banks or savings and loan  
18 associations. The state board of finance shall require a  
19 designated state checking depository to furnish surety company  
20 bond or securities of the kinds specified by law for the  
21 security of deposits of public money in an amount established  
22 by the board. Nothing in this section shall prevent ~~[any]~~ a  
23 bank or savings and loan association designated as a state  
24 checking depository from also qualifying as a state depository  
25 ~~[under Sections 11-2-18 NMSA 1953 and 6-10-30, 6-10-35 and~~

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1 ~~6-10-36~~ pursuant to Chapter 6, Article 10 NMSA 1978, and  
 2 nothing in this section shall prohibit the state treasurer from  
 3 transferring to out-of-state banks and keeping on deposit with  
 4 them funds necessary to pay interest upon and principal of  
 5 those outstanding bonds, debentures and certificates of  
 6 indebtedness [~~which~~] that, with the interest coupons, were made  
 7 payable at an out-of-state bank.

8 G. [~~Any~~] An authorized bank, savings and loan  
 9 association or credit [~~unions~~] union desiring to receive public  
 10 money deposits may file with the board of finance having  
 11 control of [~~any such~~] the money its written proposal to receive  
 12 the money on deposit, together with its agreement to pay  
 13 interest on daily balances of the deposits at the rate of  
 14 interest fixed by the state board of finance as prescribed in  
 15 Section 6-10-30 NMSA 1978. The proposal shall specify whether  
 16 the deposit is desired as a time deposit. [~~Such~~] The board of  
 17 finance shall, at its next meeting after receipt of the  
 18 proposal, consider the proposal, and, if it is in accordance  
 19 with [~~Sections 11-2-18 NMSA 1953 and 6-10-30, 6-10-35 and~~  
 20 ~~6-10-36~~] Chapter 6, Article 10 NMSA 1978, the board shall  
 21 thereupon notify the bank or savings and loan association that  
 22 upon its furnishing security as provided, it will be designated  
 23 as a "state depository" of public money in an amount to be  
 24 fixed by the board, which amount shall not exceed seventy-five  
 25 percent of the capital and surplus of the applicant bank or

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1 savings and loan association if the deposit is secured by  
2 surety bond. If, after considering the proposal of a credit  
3 union and finding it in accordance with [~~Sections 6-10-30 and~~  
4 Section 6-10-36 NMSA 1978, the board of finance may designate  
5 [~~such~~] the credit union a "state depository" of public money in  
6 an amount to be fixed by the board, which shall not exceed that  
7 amount insured by an agency of the United States. Upon  
8 furnishing proper bond or other security authorized by  
9 [~~Sections 11-2-18 NMSA 1953 and 6-10-30, 6-10-35 and 6-10-36~~]  
10 Chapter 6, Article 10 NMSA 1978, a certificate shall be issued  
11 to the bank or savings and loan association by the board of  
12 finance qualifying it as a depository of public money; and, if  
13 designated, a certificate shall be issued to a credit union  
14 qualifying it as a depository of public money; provided that a  
15 bank located [~~without~~] outside the state, acting solely in the  
16 capacity of a paying bank for the purpose of paying interest  
17 upon and principal of state obligations represented by bonds,  
18 debentures and certificates of indebtedness and attached  
19 interest coupons, is not required to furnish collateral  
20 security in excess of one hundred thousand dollars (\$100,000)  
21 regardless of the amount of state public money on deposit."

22 Section 8. TEMPORARY PROVISIONS--TRANSITION MEMBERSHIP OF  
23 STATE INVESTMENT COUNCIL.--

24 A. On the effective date of this act, the state  
25 investment officer is no longer a member of the state

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1 investment council.

2 B. On the effective date of this act, the three  
3 public members serving on the state investment council the day  
4 before the effective date of this act are no longer members of  
5 the state investment council.

6 C. Within thirty days of the effective day of the  
7 act, four members shall be appointed to the state investment  
8 council by the New Mexico legislative council pursuant to  
9 Paragraph (6) of Subsection A of Section 6-8-2 NMSA 1978 and  
10 shall serve on an interim basis until confirmed by the senate.

11 D. Within thirty days of the effective date of this  
12 act, two members shall be appointed to the state investment  
13 council by the governor pursuant to Paragraph (7) of Subsection  
14 A of Section 6-8-2 NMSA 1978 and shall serve on an interim  
15 basis until confirmed by the senate.

16 E. The four members appointed pursuant to  
17 Subsection C of this section and the two members appointed  
18 pursuant to Subsection D of this section shall, by lot,  
19 determine the initial terms of office for each position so that  
20 one position will be for a term of one year, one position will  
21 be for a term of two years, two positions will be for terms of  
22 three years, one position will be for a term of four years and  
23 one position will be for a term of five years. Thereafter, the  
24 terms shall be for five years.

25 Section 9. EMERGENCY.--It is necessary for the public

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1 peace, health and safety that this act take effect immediately.

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