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SENATE BILL 199

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

Cisco McSorley

AN ACT

RELATING TO STATE INVESTMENTS; CHANGING THE COMPOSITION OF THE
STATE INVESTMENT COUNCIL; CHANGING THE TERMS CONCERNING
ATTENDANCE AT COUNCIL MEETINGS.

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]~~ a member appointed by:

(a) initially and for alternating terms,
the dean of the school of management at the university of New
Mexico; and

(b) for all other terms, the dean of the

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1 college of business at New Mexico state university;

2 (2) the state treasurer;

3 (3) the commissioner of public lands;

4 (4) the secretary;

5 (5) the chief financial officer of a state
6 institution of higher education appointed by the governor with
7 the advice and consent of the senate;

8 (6) four members, no more than two of whom are
9 members of the same political party, and none of whom is
10 employed by the council, appointed by the New Mexico
11 legislative council with the advice and consent of the senate
12 [~~provided that no more than two members shall be members of the~~
13 ~~same political party~~]; and

14 (7) two members, neither of whom is employed
15 by the council, appointed by the governor with the advice and
16 consent of the senate.

17 B. The [~~chair of the~~] council shall [~~be the~~
18 ~~governor and the vice chair shall be selected by the council~~]
19 select from among its members a chair and vice chair. All
20 actions of the council shall be by majority vote, and a
21 majority of the members shall constitute a quorum.

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

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

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

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

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

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1 employees of the council [~~shall be governed by the provisions~~
2 ~~of~~] are subject to the Governmental Conduct Act. Nothing in
3 this section or in the 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 Governmental Conduct Act prohibit the council or the state
8 treasurer from depositing funds under the jurisdiction of the
9 council in any financial institution. A council member shall
10 not hold an office or employment in a political party.

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

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SECTION 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2018.

