



The Legislature
of the
State of New Mexico

50th Legislature, 1st Session

LAWS 2011

CHAPTER _____

SENATE RULES COMMITTEE SUBSTITUTE FOR

SENATE BILL 25

Introduced by

VETOED



1 AN ACT
2 RELATING TO PUBLIC FINANCES; REQUIRING THE STATE INVESTMENT
3 COUNCIL TO FORM A SUBCOMMITTEE TO EVALUATE ECONOMICALLY
4 TARGETED INVESTMENTS; REPEALING THE PRIVATE EQUITY INVESTMENT
5 ADVISORY COMMITTEE.

6
7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

8 SECTION 1. A new section of Chapter 6, Article 8 NMSA
9 1978 is enacted to read:

10 "SUBCOMMITTEE ON ECONOMICALLY TARGETED INVESTMENTS.--

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

14 (1) establish a disclosure and transparency
15 policy for economically targeted investments. Standards in
16 the policy shall meet or exceed industry and institutional
17 investment reporting standards, but shall not jeopardize
18 investments or create an increased risk of legal liability to
19 the subcommittee or the council due to disclosure provisions
20 in preexisting contracts or investment agreements; and

21 (2) review and make recommendations to the
22 council on economically targeted investments. The
23 subcommittee shall identify performance measures, and for
24 each economically targeted investment made by the council,
25 the subcommittee, its investment consultant or a qualified

1 third party with expertise in economic analysis shall track:

2 (a) the estimated impact of the
3 investment on the economy;

4 (b) the return on investment of the
5 investment;

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

8 (d) other economic impacts of the
9 investment.

10 B. As used in this section, "economically targeted
11 investment" means an investment made with the collateral
12 intent to assist in the improvement of the economic
13 well-being of New Mexico, its localities and residents and
14 selected for its economic benefit in addition to its
15 investment return."

16 SECTION 2. REPEAL.--Section 6-8-20 NMSA 1978 (being
17 Laws 1987, Chapter 219, Section 3, as amended) is repealed.

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

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24 OFFICE OF THE COMMISSIONER

25 SOLELY BY STATE

10000000

s/John A. Sanchez

John A. Sanchez, President
Senate

s/Lenore M. Naranjo

Lenore M. Naranjo, Chief Clerk
Senate

s/Ben Lujan

Ben Lujan, Speaker
House of Representatives

s/Stephen R. Arias

Stephen R. Arias, Chief Clerk
House of Representatives

Approved by me this _____ day of _____, 2011

s/Governor Susana Martinez

Governor Susana Martinez
State of New Mexico

2011 NOV 21 6:00 PM

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State of New Mexico

RECEIVED
2011 APR -6 AM 11:26
OFFICE OF
SECRETARY OF STATE

Susana Martinez
Governor

April 6, 2011

SENATE EXECUTIVE MESSAGE NO. 36

The Honorable Timothy Z. Jennings, President Pro Tempore
And Members of the New Mexico State Senate
State Capitol Building
Santa Fe, New Mexico 87501

Dear President Pro Tempore Jennings and Members of the Senate:

Pursuant to the Constitution of the State of New Mexico, Article IV, Section 22, I hereby VETO and am returning SENATE RULESE COMMITTEE SUBSTITUTE FOR SENATE BILL 25, enacted by the Fiftieth Legislature, First Session, 2011

This bill directs the State Investment Council to establish a subcommittee charged with evaluating economically-targeted investments made by the council.

The State Investment Council (SIC) can establish this subcommittee without this law. However, in light of heightened scrutiny of SIC investment decisions, it would be prudent that the council dedicate its time to regaining that trust by faithfully executing its duties, rather than assuming duties that are better suited for the State's Economic Development Department.

Respectfully yours,

Susana Martinez
Governor

SENATE EXECUTIVE MESSAGE NO. 36
The Honorable Timothy Z. Jennings
April 6, 2011
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RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time: 11:26 0 a.m. p.m.
Date: 4/6/ 2011 By Larry Dominguez
Secretary of State

Time: _____ a.m. p.m.
Date: _____ 2011 By _____
Chief Clerk of the Senate