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SENATE JOINT MEMORIAL 34

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Joseph J. Carraro

A JOINT MEMORIAL

**REQUESTING THE NEW MEXICO LEGISLATIVE COUNCIL TO APPOINT
LEGISLATORS TO A TASK FORCE TO STUDY THE SAFEGUARDS IN PLACE
THAT PROTECT THE FISCAL INTEGRITY OF THE STATE PERMANENT
FUNDS.**

**WHEREAS, the corpus of New Mexico's land grant permanent
funds and the severance tax permanent fund is over ten billion
dollars (\$10, 000, 000, 000); and**

**WHEREAS, the distributions from these two funds, now and
in perpetuity, are an integral and necessary ingredient for
the future prosperity of New Mexico and its citizens; and**

**WHEREAS, the corpus of the two retirement funds for New
Mexico public employees is over fourteen billion dollars
(\$14, 000, 000, 000); and**

WHEREAS, the actuarial soundness of the retirement funds

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1 is absolutely necessary in order to maintain a healthy work
2 environment in the public sector; and

3 WHEREAS, the recent Enron bankruptcy and the losses
4 suffered by New Mexico's funds point out the fact that
5 essential safeguards must be in place to protect the fiscal
6 integrity of the permanent funds; and

7 WHEREAS, a task force composed of legislators and other
8 experts should be appointed to examine the controls and
9 safeguards applicable to investments of the permanent funds;

10 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
11 STATE OF NEW MEXICO that the New Mexico legislative council be
12 requested to appoint three members of the senate and three
13 members of the house of representatives to a task force,
14 staffed by the legislative council service, that examines the
15 controls and safeguards applicable to investment of New
16 Mexico's permanent funds and to make any recommendations for
17 changes to the first session of the forty-sixth legislature;
18 and

19 BE IT FURTHER RESOLVED that the department of finance and
20 administration, the state investment council, the public
21 employees retirement association and the educational
22 retirement board each be requested to appoint one member to
23 the task force; and

24 BE IT FURTHER RESOLVED that copies of this memorial be
25 transmitted to the New Mexico legislative council, the

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1 department of finance and administration, the state investment
2 council, the public employees retirement association and the
3 educational retirement board.

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