

SENATE FLOOR SUBSTITUTE FOR
SENATE BILL 473

48TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2007

AN ACT

RELATING TO WORKERS' COMPENSATION; REVISING INVESTMENT
GUIDELINES FOR SELF-INSURED GROUPS; AMENDING A SECTION OF THE
GROUP SELF-INSURANCE ACT.

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

Section 1. Section 52-6-16 NMSA 1978 (being Laws 1986,
Chapter 22, Section 90) is amended to read:

"52-6-16. INVESTMENTS.--Funds not needed for current
obligations may be invested by the board of trustees in
accordance with the provisions of Chapter 59A, Article 9 [~~of
the Insurance Code~~] NMSA 1978 applicable to investments, except
that, notwithstanding the provisions of Section 59A-9-18 NMSA
1978:

A. the board of trustees may make loans or
investments not otherwise expressly permitted under Chapter

.166337.1

underscored material = new
[bracketed material] = delete

1 59A, Article 9 NMSA 1978, in an aggregate amount not exceeding
2 ten percent of the group's assets and not exceeding two percent
3 of such assets as to any one such loan or investment, provided
4 that such loans and investments do not constitute an amount
5 that is greater than total surplus, if the loan or investment
6 meets the requirements of Section 59A-9-3 NMSA 1978 and by
7 reason of safety of principal and yield otherwise qualifies as
8 a sound investment; and

9 B. the calculation of the group's assets for the
10 purpose of Subsection A of this section shall not include the
11 fair market value of any real property occupied by the group."

12 Section 2. EFFECTIVE DATE.--The effective date of the
13 provisions of this act is July 1, 2007.