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SENATE BILL 421

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025

INTRODUCED BY

Linda M. Trujillo

AN ACT

RELATING TO EDUCATIONAL RETIREMENT; CLARIFYING POWERS OF THE
EDUCATIONAL RETIREMENT BOARD.

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

SECTION 1. Section 22-11-6 NMSA 1978 (being Laws 1967,
Chapter 16, Section 130, as amended) is amended to read:

"22-11-6. BOARD--POWERS--DUTIES.--

A. The board shall:

- (1) properly and uniformly enforce the Educational Retirement Act;
- (2) hire employees and delegate administrative authority to these employees;
- (3) make an actuarial report on the financial operation of the Educational Retirement Act to the legislature at each regular session every odd-numbered year;

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1 (4) accept donations, gifts or bequests to the
2 fund; and

3 (5) adopt regulations pursuant to the
4 Educational Retirement Act.

5 B. The board may:

6 (1) select and contract for the services of
7 one or more custodial banks. For purposes of this subsection,
8 "custodial bank" means a financial institution with the general
9 fiduciary duties to manage, control and collect the assets of
10 an investment fund, including receiving all deposits and paying
11 all disbursements as directed by staff, safekeeping of assets,
12 coordination of asset transfers, timely settlement of
13 securities transactions and accurate and timely reporting by
14 individual account and in total; ~~and~~

15 (2) contract for legal services for litigation
16 matters on a contingent fee basis, subject to the provisions of
17 the Procurement Code; provided that:

18 (a) the board shall submit each proposed
19 contract to the attorney general for review of the contingency
20 fee. The attorney general shall review a proposed contract
21 within thirty days after receiving the contract. The review
22 shall take into account the complexity of the factual and legal
23 issues presented by the claims to be pursued under the
24 contract. If the attorney general advises the board that the
25 proposed contingency fee is not reasonable, the board may

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1 nevertheless approve the contract and the contingency fee if no
2 fewer than four members vote for approval;

3 (b) each prospective contractor seeking
4 to represent the board on a contingency fee basis shall file
5 with the board the disclosure required by Section 13-1-191.1
6 NMSA 1978 disclosing all campaign contributions made to the
7 governor, attorney general, state treasurer or any member of
8 the board, or to a political committee that is intended to aid
9 or promote the nomination or election of any candidate to a
10 state office if the committee is: 1) established by any of the
11 foregoing persons or their agents; 2) established in
12 consultation with or at the request of any of the foregoing
13 persons or their agents; or 3) controlled by one of the
14 foregoing persons or their agents; and

15 (c) nothing in this paragraph shall
16 prejudice or impair the rights of a qui tam plaintiff pursuant
17 to the Fraud Against Taxpayers Act; and

18 (3) purchase, acquire or hold real property
19 and build or own a building and related improvements located
20 thereon."