1	SENATE BILL 8				
2	43rd LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998				
3	INTRODUCED BY				
4	Roman Maes				
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10	AN ACT				
11	RELATING TO PUBLIC FINANCE; REQUIRING THE STATE INVESTMENT				
12	OFFICER TO CONTRACT WITH INVESTMENT ADVISERS FOR VENTURE				
13	CAPITAL FUND INVESTMENTS; PROVIDING STAFF FOR THE VENTURE				
14	CAPITAL INVESTMENT ADVISORY COMMITTEE.				
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16	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:				
17	Section 1. Section 6-8-20 NMSA 1978 (being Laws 1987,				
18	Chapter 219, Section 3, as amended) is amended to read:				
19	"6-8-20. VENTURE CAPITAL INVESTMENT ADVISORY COMMITTEE				
20	CREATED <u>SUPPORT_STAFF</u> MEMBERSHI P DUTI ES TERMS				
21	LIABILITIESCONFLICT OF INTEREST				
22	A. There is created the "venture capital				
23	investment advisory committee" to the council. The committee				
24	consists of the state investment officer, a member of the				
25	council appointed by the governor and three members who are				
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qualified by competence and experience in finance and investment and knowledgeable about the venture capital process and who are appointed by the governor.

B. Members appointed by the governor, except the council member, shall be appointed for three-year terms; provided that the terms of the initial committee members shall be staggered so that the term of one member expires each year. After the initial appointments, all governor-appointed members shall be appointed for three-year terms. Members shall serve until their successors are appointed. A vacancy occurring other than by expiration of term shall be filled in the same manner as the original appointment, but only for the unexpired term

C. The committee shall review and make recommendations to the council on investments authorized pursuant to Sections 6-8-21, 7-27-5.6 and 7-27-5.15 NMSA 1978 and shall advise the council in matters and policies related to such investments. The committee shall establish policies for venture capital fund and New Mexico venture capital fund investments not less often than annually and shall make copies available to interested parties.

D. Members of the committee shall receive per diem and mileage as provided for nonsalaried public officers in the Per Diem and Mileage Act and shall receive no other compensation, perquisite or allowance.

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E. The committee shall elect annually a chairman from among its members and may elect other officers as necessary. The committee shall meet upon the call of the chairman or the state investment officer.

F. Members of the committee are public employees within the meaning of the Tort Claims Act and are entitled to all immunity and indemnification provided under that act.

G. No person may be a member of the committee if any recommendation, action or decision of the committee will or is likely to result in direct, measurable economic gain to that person or his employer.

H. The state investment officer [may] shall enter into a contract with [an] one or more investment [adviser] advisers for venture capital fund investments authorized pursuant to Sections 6-8-21, 7-27-5.6 and 7-27-5.15 NMSA 1978 and may pay budgeted expenses for [the] venture capital fund [adviser] advisers from the assets of any fund administered under the supervision of the council, as applicable. Expenses for an adviser shall not exceed fifty basis points, or onehalf of one percent of the capital under advisement. Subject to approval by the committee, the state investment officer shall provide a full-time staff member with experience in private equity investments to support the committee. "

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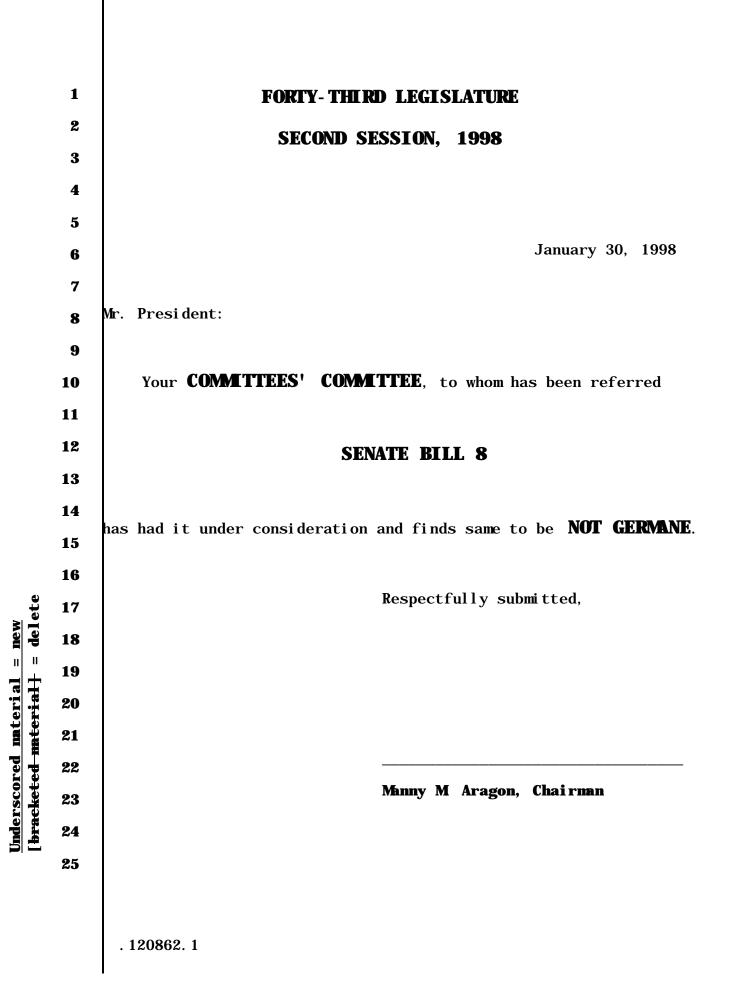
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