



FOR IMMEDIATE RELEASE
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In Case You Missed It

Barn Door Closing only After Richardson-Denish Pals Profit from State Investments?

Albuquerque, NM—The following story, detailing legislation passed in the state Senate which curbs the governor's authority over state investment matters, was published yesterday in the *Albuquerque Journal*. Last year, Saul Meyer, who advised NM's State Investment Council, admitted in a New York guilty plea that recommended investments which were pushed on him by politically-connected individuals.

In January, GOP Chairman Harvey Yates Jr. [wrote an op-ed](#) where he highlighted the fact that Richardson and Denish each took approximately \$50,000 in political donations from a fellow who, at approximately the same time, secured for his company a \$30 million investment from our State Investment Council.

Yesterday's article is printed below in its entirety.

Albuquerque Journal

Read online at: <http://www.abqjournal.com/news/xgr/13232023xgr02-13-10.htm>

Saturday, February 13, 2010

Investment Council Changes OK'd

By Sean Olson

Journal Staff Writer

SANTA FE — The Senate on Friday unanimously passed a bill to dramatically reduce the power of the governor over the State Investment Council.

The bill, a combination of three proposals by senators from both sides of the aisle, was crafted as a reaction to scandals and investigations within the State Investment Council over the past year — including a pay-to-play investigation by the FBI and Securities Exchange Commission now under way.

"This bill will hopefully prevent the amount of bleeding we've had in the last two years," said Sen. Cisco McSorley, D-Albuquerque.

The changes to the State Investment Council in the bill include:

- Removal of the governor and the state investment officer from the board.
- Giving the board full power over state investments, contracts and appointment of the investment officer. The investment officer, who now has control over those decisions and is appointed by the governor, would be relegated to an advisory role and appointed by the board.
- Membership would include the state treasurer, the state land commissioner, the state Department of Finance and Administration secretary, three appointments by the governor and four — two from each party — from the Legislature.
- Appointed members would be required to have at least 10 years of finance or investment experience.

The changes were recommended by an independent audit on the council completed last year. The audit was critical of the governor's role on the council and his ability to control the membership of a majority of the current board.

Changes to other state investment funds — the Educational Retirement Board and the Public Employees Retirement Association — were included in some of the original proposals in the Senate. They were removed from the bills after complaints from some members of those organizations arose.

The bill was sent to the House.

Gov. Bill Richardson said this week that he had no comment on whether he would sign the bill.

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