

(5) THE BOARD OF TRUSTEES IS NOT SUBJECT TO DIVISION II OF THE STATE FINANCE AND PROCUREMENT ARTICLE FOR:

(I) OBTAINING SERVICES OF MANAGERS TO INVEST THE ASSETS OF THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND; AND

(II) EXPENDITURES TO MANAGE, MAINTAIN, AND ENHANCE THE VALUE OF THE ASSETS OF THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND.

~~(E) (F) TO THE EXTENT POSSIBLE, THE ASSETS OF THE POSTRETIREMENT HEALTH FUNDING SYSTEM BENEFITS TRUST FUND SHALL BE INVESTED IN THE SAME MANNER AS THOSE OF THE OTHER SYSTEMS OF THE STATE RETIREMENT AND PENSION SYSTEM SEVERAL SYSTEMS.~~

~~(F) (G) FOR FISCAL YEAR 2006 THROUGH FISCAL YEAR 2016, NO PAYMENTS MAY BE MADE FROM THE ACCUMULATION FUND OF THE POSTRETIREMENT HEALTH FUNDING SYSTEM BENEFITS TRUST FUND.~~

~~(G) (H) FOR FISCAL YEAR 2016 AND EACH FISCAL YEAR THEREAFTER, THE STATE RETIREMENT AND PENSION SYSTEM BOARD OF TRUSTEES SHALL TRANSFER TO THE GENERAL FUND, FOR THE SOLE PURPOSE OF ASSISTING IN THE PAYMENT OF THE STATE'S POSTRETIREMENT HEALTH INSURANCE SUBSIDY, THE LESSER OF:~~

~~(1) ONE-QUARTER OF THE PRIOR YEAR'S INVESTMENT GAINS OF THE POSTRETIREMENT HEALTH FUNDING SYSTEM BENEFITS TRUST FUND; OR~~

~~(2) THE AMOUNT NECESSARY TO PAY THE ANNUAL HEALTH INSURANCE PREMIUMS AND OTHER COSTS THAT CONSTITUTE THE STATE'S POSTRETIREMENT HEALTH INSURANCE SUBSIDY SPECIFIED IN § 2-508 OF THIS ARTICLE.~~

~~(H) (I) IF FOR ANY REASON THE STATE DISCONTINUES THE POSTRETIREMENT HEALTH INSURANCE SUBSIDY SPECIFIED IN § 2-508 OF THIS ARTICLE OR A SUCCESSOR SUBSIDY, THE ASSETS OF THE POSTRETIREMENT HEALTH FUNDING SYSTEM BENEFITS TRUST FUND SHALL BE TRANSFERRED TO THE GENERAL FUND.~~

(J) ON OR BEFORE OCTOBER 1, 2007, AND ON OR BEFORE OCTOBER 1 THEREAFTER, THE BOARD OF TRUSTEES SHALL PUBLISH AN ANNUAL CONSOLIDATED REPORT THAT INCLUDES:

(1) THE FISCAL TRANSACTIONS OF THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND FOR THE PRECEDING FISCAL YEAR; AND

(2) THE AMOUNT OF THE ACCUMULATED CASH, SECURITIES, AND OTHER ASSETS OF THE POSTRETIREMENT HEALTH BENEFITS TRUST FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 2004.

May 26, 2004

The Honorable Michael E. Busch