

(b) The Postretirement Health Benefits Trust Fund shall be established as a tax-exempt trust, in accordance with § 115 of the Internal Revenue Code or other applicable federal statute.

(c) The purpose of the Postretirement Health Benefits Trust Fund is to assist the State in financing the postretirement health insurance subsidy, as specified in § 2-508 of this article.

(d) Beginning in fiscal year 2008, any subsidy received by the State that is provided to employers as a result of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003, or similar federal subsidy received as a result of the State's prescription drug program, shall be deposited into the Postretirement Health Benefits Trust Fund.

(e) (1) The Board of Trustees are the trustees of the Postretirement Health Benefits Trust Fund.

(2) Notwithstanding any other provision of law:

(i) the Board of Trustees shall have full power to invest and manage the assets of the Postretirement Health Benefits Trust Fund to achieve the statutory purpose of the Fund; and

(ii) each member of the Board of Trustees shall discharge the member's duties with respect to the Postretirement Health Benefits Trust Fund as a fiduciary and be indemnified in accordance with the provisions of Title 21, Subtitle 2 of this article.

(3) The Board of Trustees may incur reasonable investment expenses payable from the assets of the Postretirement Health Benefits Trust Fund, and in accordance with § 21-315(d) of this article, for:

(i) services of managers to invest the assets of the Postretirement Health Benefits Trust Fund;

(ii) services of one or more duly qualified banks or trust companies for the safe custody of the investments and banking services; and

(iii) any other service that the Board of Trustees deems reasonable and necessary in connection with the investments of the Postretirement Health Benefits Trust Fund.

(4) (i) The Board of Trustees may incur reasonable administrative expenses payable from the assets of the Postretirement Health Benefits Trust Fund.