

PUBLIC EMPLOYEE HEALTH CARE FUND INVESTMENT ACT (EXCERPT)
Act 149 of 1999

38.1214a Trustee of bankruptcy trust; service; removal; vacancy on board; meetings; business conducted at public meeting; publication of summary annual report on public website; "appointing authority" defined.

Sec. 4a.

(1) A trustee of a bankruptcy trust serves at the pleasure of the appointing authority. The appointing authority may, after providing 30 days' notice to a trustee, remove the trustee without cause. The appointing authority may immediately remove a trustee for incompetence, dereliction of duty, malfeasance, misfeasance, or nonfeasance in office, or any other good cause.

(2) The board of trustees, by a vote of 2/3 of the voting members serving, may, after providing 30 days' notice to a trustee, request that the appointing authority remove the trustee if the board determines that allowing the trustee to serve could cause loss of confidence in the administration of the bankruptcy trust and that removing the trustee is in the best interest of the bankruptcy trust beneficiaries. The board, by a majority vote of the voting members serving, may recommend that the appointing authority immediately remove a trustee for incompetence, dereliction of duty, malfeasance, misfeasance, or nonfeasance in office, or any other good cause.

(3) If there is a vacancy on the board of trustees, the vacancy must be filled in a manner provided by the court or the plan for adjustment.

(4) The board of trustees shall meet at least quarterly.

(5) The business that the board of trustees may perform shall be conducted at a public meeting of the board held in compliance with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.

(6) A writing prepared, owned, used, in the possession of, or retained by the board of trustees in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

(7) The board of trustees shall prepare and publish on a public website a summary annual report that includes the bankruptcy trust's administrative expenditures and expenditures related to a member of the board attending educational conferences that are paid by the bankruptcy trust, if any.

(8) As used in this section, "appointing authority" is the authority identified by the court or the plan for adjustment.

History: Add. 2016, Act 557, Imd. Eff. Jan. 10, 2017

Compiler's Notes: Enacting section 1 of Act 557 of 2016 provides: "Enacting section 1. It is the intent of the legislature that a bankruptcy trust as defined in the amendatory act that added section 4a to the public employee health care fund investment act, 1999 PA 149, MCL 38.1211 to 38.1216, must provide for the removal and reappointment of members of the board of trustees, and the legislature finds and declares that providing that removal and appointment is necessary to the efficient operation and administration of the bankruptcy trust for the benefit of bankruptcy trust beneficiaries." Enacting section 2 of Act 557 of 2016 provides: "Enacting section 2. If there is a conflict between the public employee health care fund investment act, 1999 PA 149, MCL 38.1211 to 38.1216, and a plan for adjustment as defined in the amendatory act that added section 4a to the public employee health care fund investment act, 1999 PA 149, MCL 38.1211 to 38.1216, the plan for adjustment must control."