

PUBLIC EMPLOYEE RETIREMENT SYSTEM INVESTMENT ACT (EXCERPT)
Act 314 of 1965

38.1140c Financial institution, trust company, or management company retained as investment fiduciary; investment of system assets in collective investment fund, common trust fund, or pooled fund established and maintained by financial institution or management company; "financial institution" defined.

Sec. 20c. (1) A financial institution, a trust company, a management company qualified under section 15, or any affiliate of a person described in this section if that affiliate qualifies as an investment fiduciary under section 13(11), retained to act as an investment fiduciary may invest the assets of a system in any collective investment fund, common trust fund, or pooled fund that is established and maintained for investment of those assets under federal or state statutes or rules or regulations or an applicable foreign law. The investment fiduciary of the collective investment fund, common trust fund, or pooled fund shall be a financial institution, a trust company, a management company qualified under section 13(11)(a), or an affiliate of 1 of these entities if that affiliate qualifies as an investment fiduciary under section 13(11)(a). The collective investment fund, common trust fund, or pooled fund may be established as a limited partnership, corporation, limited liability company, trust, or other organizational entity for which liability of any investor does not exceed the amount of the investment under the laws of the United States or the laws of the state, district, territory, or foreign country that applied to the organization of the collective investment fund, common trust fund, or pooled fund. A pool in which the state treasurer has administrative or investment authority and the investment pools of the municipal employees retirement system and retirement board created under the municipal employees retirement act of 1984, 1984 PA 427, MCL 38.1501 to 38.1555, are not pooled funds for purposes of this section. An investment in a collective investment fund, common trust fund, or pooled fund is considered an investment in the underlying assets of that fund for all purposes under this act.

(2) As used in this section, "financial institution" means a state or nationally chartered bank or a state or federally chartered savings and loan association, savings bank, or credit union whose deposits are insured by an agency of the United States government and that maintains a principal office or branch office located in this state under the laws of this state or the United States.

History: Add. 1982, Act 55, Imd. Eff. Apr. 6, 1982;—Am. 1996, Act 485, Imd. Eff. Dec. 27, 1996;—Am. 1997, Act 42, Imd. Eff. June 30, 1997;—Am. 2000, Act 307, Imd. Eff. Oct. 16, 2000;—Am. 2012, Act 347, Eff. Mar. 28, 2013.

Compiler's note: For transfer of powers and duties of state treasurer created under public employee retirement system investment act or authorizing statutes to Michigan investment board and transfer of powers and duties of investment advisory committee created under MCL 16.191 to Michigan investment board, see E.R.O. No. 2018-5, compiled at MCL 38.1176.