

1 20 NCAC 02C .0210 is adopted as published in the NC Register at page 1154, with changes, as follows:
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3 **20 NCAC 02C .0210 DEFINITIONS**
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5 (a) “Surety” means a written agreement, constituting both a resolution and an “acknowledgement and acceptance
6 letter” as described in Rule .0211 of this Subchapter, given for the fulfillment and guarantee of the withdrawal payment
7 to cease participation in the Retirement System under G.S. 128-30(i).

8 (b) “Estimated Withdrawal Liability” means the withdrawal liability under the terms of G.S. 128-30(i) estimated by
9 the Division’s consulting actuary. The estimate shall be prepared under the assumption that the participating employer
10 will cease participation ten years after initial participation.

11 ~~(a)~~ (c) “Non-taxing authority” (“NTA”) means as an otherwise eligible employer that is not a taxing unit, as defined
12 by G.S. 105-273(16).
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14 *History Note: Authority G.S. 128-23(i) ~~G.S.128-23(i)~~*
15 *Eff. October 1, 2023.*
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1 20 NCAC 02C .0211 is adopted as published in the NC Register, page 1154, with changes, as follows:

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3 **20 NCAC 02C .0211 SURETY FOR NON-TAXING AUTHORITY PARTICIPATION**

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5 (a) An NTA shall provide surety to the Board establishing ~~that~~ any withdrawal liability ~~that~~ the NTA may incur will
6 be paid by submitting a ~~duly adopted~~ resolution adopted by the NTA's governing body stating ~~that~~ the NTA is
7 maintaining an amount equal to or greater than the Estimated Withdrawal Liability in a secure financial instrument
8 and will maintain the funds in such an instrument, including any other secure financial instrument, ~~instrument~~
9 throughout its participation in the Retirement System. A secure financial instrument may include: an escrow account,
10 a letter of credit, a bond, a deed of trust, or a deposit in the Ancillary Governmental Participant Investment Program
11 (AGPIP) under G.S. 147-69.3 to the extent such an investment by the NTA is permitted by the Internal Revenue Code
12 and State law.

13 (b) Any ~~entity~~ NTA submitting a resolution required under Paragraph (a) of this Rule must also submit to the Division
14 an "acknowledgement and acceptance letter" signed by a person or persons authorized to act on behalf of the NTA.
15 ~~every member of the entity's governing board.~~ The letter must acknowledge the specific amount of the Estimated
16 Withdrawal Liability; acknowledge that the actual amount of the withdrawal liability, if incurred, will differ from the
17 Estimated Withdrawal Liability; accept the obligation to pay the actual withdrawal liability, if incurred; and attest that
18 the entity has reviewed the withdrawal-related requirements of G.S. 128-30(i).

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20 *History Note: Authority G.S. 128-23(i)*
21 *Eff. October 1, 2023.*