

1 20 NCAC 02C .0210 is adopted as published in the NC Register at page 1154 as follows:
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3 **20 NCAC 02C .0210** **DEFINITIONS**
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5 (a) “Surety” means a written agreement given for the fulfillment and guarantee of the withdrawal payment to cease
6 participation in the Retirement System under G.S. 128-30(i).

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

10 (a) “Non-taxing authority” (“NTA”) means as an otherwise eligible employer that is not a taxing unit, as defined by
11 G.S. 105-273(16).

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13 *History Note: Authority G.S.128-23(i)*

14 *Eff. October 1, 2023.*

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1 20 NCAC 02C .0211 is adopted as published in the NC Register, page 1154, 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 stating that the NTA is maintaining an amount equal to or greater than
7 the Estimated Withdrawal Liability in a secure financial instrument and will maintain the funds in such instrument
8 throughout its participation in the Retirement System. A secure financial instrument may include: an escrow account,
9 a letter of credit, a bond, a deed of trust, or a deposit in the Ancillary Governmental Participant Investment Program
10 (AGPIP) under G.S. 147-69.3 to the extent such an investment by the NTA is permitted by the Internal Revenue Code
11 and State law.

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

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