

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

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

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

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