

(1) IN THIS SUBSECTION, "WITHDRAWAL LIABILITY" MEANS, AS TO ANY PARTICIPATING GOVERNMENTAL UNIT WITHDRAWING FROM THE LOCAL FIRE AND POLICE SYSTEM, THE LIABILITY OF THE LOCAL FIRE AND POLICE SYSTEM ON ACCOUNT OF:

(I) EMPLOYEES OF THE PARTICIPATING GOVERNMENTAL UNIT WHO DO NOT ELECT TO WITHDRAW;

(II) RETIREES OF THE LOCAL FIRE AND POLICE SYSTEM WHO RETIRED FROM THE SERVICE OF THE PARTICIPATING GOVERNMENTAL UNIT AND THE DESIGNATED BENEFICIARIES OF THOSE RETIREES; AND

(III) FORMER MEMBERS OF THE LOCAL FIRE AND POLICE SYSTEM ELIGIBLE FOR A VESTED ALLOWANCE WHO SEPARATED FROM EMPLOYMENT WITH THE PARTICIPATING GOVERNMENTAL UNIT.

(2) ON AND AFTER THE DATE OF A PARTICIPATING GOVERNMENTAL UNIT'S WITHDRAWAL FROM THE LOCAL FIRE AND POLICE SYSTEM UNDER § 31-302(B) OF THIS ARTICLE:

(I) THE PARTICIPATING GOVERNMENTAL UNIT AND ITS EMPLOYEES ARE NOT REQUIRED TO MAKE ANY FURTHER CONTRIBUTIONS TO THE LOCAL FIRE AND POLICE SYSTEM FOR THOSE EMPLOYEES WHO ELECT TO WITHDRAW FROM THE LOCAL FIRE AND POLICE SYSTEM;

(II) THE PARTICIPATING GOVERNMENTAL UNIT SHALL CONTINUE TO MAKE THE NORMAL CONTRIBUTION ON BEHALF OF EACH EMPLOYEE WHO DOES NOT ELECT TO WITHDRAW FROM THE LOCAL FIRE AND POLICE SYSTEM; AND

(III) THE PARTICIPATING GOVERNMENTAL UNIT SHALL MAKE A WITHDRAWAL LIABILITY CONTRIBUTION AS DETERMINED UNDER THIS SUBSECTION.

(3) THE WITHDRAWAL LIABILITY CONTRIBUTION SHALL BE DETERMINED BY AN ACTUARIAL VALUATION OF THE WITHDRAWAL LIABILITY AS OF THE DATE OF WITHDRAWAL.

(4) EXCEPT AS PROVIDED IN PARAGRAPH (5) OF THIS SUBSECTION, THE ANNUAL WITHDRAWAL LIABILITY CONTRIBUTION OF EACH PARTICIPATING GOVERNMENTAL UNIT SHALL BE THE LEVEL ANNUAL PAYMENT THAT IS SUFFICIENT TO LIQUIDATE, OVER NOT MORE THAN 10 YEARS BEGINNING ON THE DATE OF WITHDRAWAL, THE AMOUNT BY WHICH THE WITHDRAWAL LIABILITY OF THE PARTICIPATING GOVERNMENTAL UNIT EXCEEDS THE SUM OF:

(I) THE PRESENT VALUE, AS OF THE DATE OF WITHDRAWAL, OF FUTURE NORMAL CONTRIBUTIONS AND FUTURE MEMBER CONTRIBUTIONS ON BEHALF OF OR BY THOSE EMPLOYEES OF THE PARTICIPATING GOVERNMENTAL UNIT WHO DO NOT ELECT TO WITHDRAW; AND

(II) THE ALLOCABLE PORTION OF THE RESERVE AS OF THE DATE OF WITHDRAWAL ATTRIBUTABLE TO THOSE EMPLOYEES OF THE PARTICIPATING GOVERNMENTAL UNIT WHO DO NOT ELECT TO WITHDRAW.