

(II) REDUCE THE AMOUNT DETERMINED UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH BY THE OUTSTANDING BALANCE OF THE SURPLUS ALLOCABLE TO THE PARTICIPATING GOVERNMENTAL UNIT AS OF THE EFFECTIVE DATE OF WITHDRAWAL.

(3) THE AMOUNT DETERMINED UNDER PARAGRAPH (2) MAY NOT BE LESS THAN ZERO.

(4) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH, THE ANNUAL WITHDRAWAL LIABILITY CONTRIBUTION OF A PARTICIPATING GOVERNMENTAL UNIT SHALL BE THE ANNUAL PAYMENT THAT IS SUFFICIENT TO LIQUIDATE, OVER NOT MORE THAN 25 YEARS, THE WITHDRAWAL LIABILITY CONTRIBUTION BY MEANS OF ANNUAL PAYMENTS THAT INCREASE EACH YEAR BASED ON THE ACTUARIAL ASSUMPTIONS ADOPTED BY THE BOARD OF TRUSTEES ON THE RECOMMENDATION OF THE ACTUARY.

(II) SUBJECT TO THE APPROVAL OF THE BOARD OF TRUSTEES AND THE ACTUARY'S CONCURRENCE, A PARTICIPATING GOVERNMENTAL UNIT:

1. MAY LIQUIDATE THE WITHDRAWAL LIABILITY CONTRIBUTION BY MEANS OF LEVEL ANNUAL PAYMENTS OR OVER A TERM OF LESS THAN 25 YEARS; OR

2. PREPAY ALL OR A PORTION OF THE WITHDRAWAL LIABILITY CONTRIBUTION.

(G) (1) THIS SECTION APPLIES ONLY TO A PARTICIPATING GOVERNMENTAL UNIT WITH A DEFICIT AS DETERMINED UNDER § 21-305.4(C) OF THIS SUBTITLE.

(2) THE TRANSITION AMOUNT OF A PARTICIPATING GOVERNMENTAL UNIT SHALL BE COMPUTED BY THE ACTUARY AS PROVIDED IN THIS SUBSECTION.

(3) THE ACTUARY SHALL DETERMINE THE PRE-JUNE 30, 1995 STATUS AND THE POST-JUNE 30, 1995 STATUS OF A PARTICIPATING GOVERNMENTAL UNIT USING THE ASSUMPTIONS THAT:

(I) THE PARTICIPATING GOVERNMENTAL UNIT ELECTS TO WITHDRAW FROM THE EMPLOYEES' SYSTEMS AS OF JUNE 30, 1995;

(II) THE EMPLOYEES OF THE WITHDRAWING PARTICIPATING GOVERNMENTAL UNIT WHO ARE MEMBERS OF THE EMPLOYEES' RETIREMENT SYSTEM ELECT TO REMAIN IN THE EMPLOYEES' SYSTEMS; AND

(III) THE EMPLOYEES OF THE WITHDRAWING PARTICIPATING GOVERNMENTAL UNIT WHO ARE MEMBERS OF THE EMPLOYEES' PENSION SYSTEM ELECT TO WITHDRAW FROM THE EMPLOYEES' SYSTEMS.

(4) THE PRE-JUNE 30, 1995 STATUS OF A PARTICIPATING GOVERNMENTAL UNIT IS AN AMOUNT EQUAL TO THE DIFFERENCE BETWEEN:

(I) THE ASSETS TRANSFERABLE TO A PARTICIPATING GOVERNMENTAL UNIT THAT ARE ALLOCABLE TO THE EMPLOYEES OF THE PARTICIPATING GOVERNMENTAL UNIT WHO ELECT TO WITHDRAW FROM THE