North Carolina Retirement Systems

MEMORANDUM

TO: Teachers and State Employees' Retirement System (TSERS) Board of Trustees
Local Governmental Employees' Retirement System (LGERS) Board of Trustees

FROM: Patrick Kinlaw
Director of Policy, Planning, and Compliance
Retirement Systems Division (RSD)

DATE: November 5, 2026

RE: Decennial Review of Retirement Systems Division Administrative Rules

North Carolina law requires agencies subject to Article 2A of Chapter 150B to review their existing administrative rules at least once every ten years to determine whether each rule remains necessary; rules not reviewed on the schedule set by the Rules Review Commission may expire, and rules determined necessary must be readopted through the permanent rulemaking process. The attached initial report presents the Retirement Systems Division rules classified as necessary or unnecessary for this review. The review will include public comment, consideration of comments, and review by the Rules Review Commission and the Joint Legislative Administrative Procedure Oversight Committee.

RSD Staff recommend the following Board actions:

TSERS Board of Trustees

As the rulemaking body, the TSERS Board hereby approves the proposed initial report designating the administrative rules that are necessary and unnecessary related to the programs administered by the TSERS Board and authorizes the Department of State Treasurer staff to take all additional necessary steps required to complete the Decennial Rules Review process.

LGERS Board of Trustees

As the rulemaking body, the LGERS Board hereby approves the proposed initial report designating the administrative rules that are necessary and unnecessary related to the programs administered by the LGERS Board and authorizes the Department of State Treasurer staff to take all additional necessary steps required to complete the Decennial Rules Review process.

North Carolina Retirement Systems

Anticipated Review Timeline (Subject to Change)

Date	Review Step
November 5, 2026	**Present initial report to the Boards for approval.**
November 13, 2026	Submit approved initial report to OAH for posting. This is five business days before the public comment period opens.
November 20, 2026 – January 19, 2027	Public comment period.
February 2027	Review and respond to public comments; address the merits of comments received.
March 2027	Finalize the report, including the agency's determinations and responses to comments.
April 2027	Present final report to the Boards.
By May 20, 2027	Submit final report to the Rules Review Commission (RRC).
June 2027	RRC meeting to review the report and determine next steps, followed by the statutory consultation process.

Attachment: Initial Report of Retirement Systems Division Rules Classified as Necessary and Unnecessary