

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL DRS15060-MRa-63 (03/08)

Short Title: Give Retirees 2% COLA/Funds.

(Public)

Sponsors: Senators Waddell, D. Davis, and Smith-Ingram (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A COST-OF-LIVING ADJUSTMENT FOR RETIREES OF THE
3 TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE JUDICIAL
4 RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** G.S. 135-5 is amended by adding a new subsection to read:

7 "(vvv) From and after July 1, 2017, the retirement allowance to or on account of
8 beneficiaries whose retirement commenced on or before July 1, 2016, shall be increased by two
9 percent (2%) of the allowance payable on June 1, 2017, in accordance with G.S. 135-5(o).
10 Furthermore, from and after July 1, 2017, the retirement allowance to or on account of
11 beneficiaries whose retirement commenced after July 1, 2016, but before June 30, 2017, shall
12 be increased by a prorated amount of two percent (2%) of the allowance payable as determined
13 by the Board of Trustees based upon the number of months that a retirement allowance was
14 paid between July 1, 2016, and June 30, 2017."

15 **SECTION 1.(b)** G.S. 135-65 is amended by adding a new subsection to read:

16 "(gg) From and after July 1, 2017, the retirement allowance to or on account of
17 beneficiaries whose retirement commenced on or before July 1, 2016, shall be increased by two
18 percent (2%) of the allowance payable on June 1, 2017. Furthermore, from and after July 1,
19 2017, the retirement allowance to or on account of beneficiaries whose retirement commenced
20 after July 1, 2016, but before June 30, 2017, shall be increased by a prorated amount of two
21 percent (2%) of the allowance payable as determined by the Board of Trustees based upon the
22 number of months that a retirement allowance was paid between July 1, 2016, and June 30,
23 2017."

24 **SECTION 1.(c)** G.S. 120-4.22A is amended by adding a new subsection to read:

25 "(aa) In accordance with subsection (a) of this section, from and after July 1, 2017, the
26 retirement allowance to or on account of beneficiaries whose retirement commenced on or
27 before January 1, 2017, shall be increased by two percent (2%) of the allowance payable on
28 June 1, 2017. Furthermore, from and after July 1, 2017, the retirement allowance to or on
29 account of beneficiaries whose retirement commenced after January 1, 2017, but before June
30 30, 2017, shall be increased by a prorated amount of two percent (2%) of the allowance payable
31 as determined by the Board of Trustees based upon the number of months that a retirement
32 allowance was paid between January 1, 2017, and June 30, 2017."

33 **SECTION 2.** There is appropriated from the General Fund to the Reserve for
34 Retiree Cost-of-Living Adjustments the sum of eighty-eight million dollars (\$88,000,000) for
35 the 2017-2018 fiscal year and the sum of eighty-eight million dollars (\$88,000,000) for the
36 2018-2019 fiscal year to implement the cost-of-living adjustment authorized by this act.



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SECTION 3. This act becomes effective July 1, 2017.