

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

FILED SENATE
Mar 13, 2019
S.B. 243
PRINCIPAL CLERK

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SENATE BILL DRS45099-MRap-70

Short Title: Give Retirees 5% COLA/Funds.

(Public)

Sponsors: Senators Waddell, D. Davis, and Smith (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 "(xxx) From and after July 1, 2019, the retirement allowance to or on account of beneficiaries
8 whose retirement commenced on or before July 1, 2018, shall be increased by five percent (5%)
9 of the allowance payable on June 1, 2019, in accordance with G.S. 135-5(o). Furthermore, from
10 and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose
11 retirement commenced after July 1, 2018, but before June 30, 2019, shall be increased by a
12 prorated amount of five percent (5%) of the allowance payable as determined by the Board of
13 Trustees based upon the number of months that a retirement allowance was paid between July 1,
14 2018, and June 30, 2019."

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

16 "(ii) From and after July 1, 2019, the retirement allowance to or on account of beneficiaries
17 whose retirement commenced on or before July 1, 2018, shall be increased by five percent (5%)
18 of the allowance payable on June 1, 2019. Furthermore, from and after July 1, 2019, the
19 retirement allowance to or on account of beneficiaries whose retirement commenced after July
20 1, 2018, but before June 30, 2019, shall be increased by a prorated amount of five percent (5%)
21 of the allowance payable as determined by the Board of Trustees based upon the number of
22 months that a retirement allowance was paid between July 1, 2018, and June 30, 2019."

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

24 "(cc) In accordance with subsection (a) of this section, from and after July 1, 2019, the
25 retirement allowance to or on account of beneficiaries whose retirement commenced on or before
26 January 1, 2019, shall be increased by five percent (5%) of the allowance payable on June 1,
27 2019. Furthermore, from and after July 1, 2019, the retirement allowance to or on account of
28 beneficiaries whose retirement commenced after January 1, 2019, but before June 30, 2019, shall
29 be increased by a prorated amount of five percent (5%) of the allowance payable as determined
30 by the Board of Trustees based upon the number of months that a retirement allowance was paid
31 between January 1, 2019, and June 30, 2019."

32 **SECTION 2.** There is appropriated from the General Fund to the Reserve for Retiree
33 Cost-of-Living Adjustments the sum of two hundred forty million dollars (\$240,000,000) in
34 recurring funds for the 2019-2020 fiscal year and the sum of two hundred forty million dollars
35 (\$240,000,000) in recurring funds for the 2020-2021 fiscal year to implement the cost-of-living
36 adjustment authorized by this act.



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SECTION 3. This act becomes effective July 1, 2019.