

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

H.B. 90  
Feb 10, 2025  
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30007-MRap-10

Short Title: State & Local Gov't Retirees COLA.

(Public)

Sponsors: Representative Logan.

Referred to:

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

7 The General Assembly of North Carolina enacts:

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

9 "(aaa) Effective July 1, 2025, the retirement allowance payable to, or on account of,  
10 beneficiaries whose retirement commenced on or before July 1, 2024, is increased by three  
11 percent (3%) of the allowance payable on June 1, 2024, in accordance with subsection (o) of this  
12 section. Effective July 1, 2025, the retirement allowance payable to, or on account of,  
13 beneficiaries whose retirement commenced after July 1, 2024, but before June 30, 2025, is  
14 increased by a prorated amount of three percent (3%), as determined by the Board of Trustees  
15 based upon the number of months that a retirement allowance was paid between July 1, 2024,  
16 and June 30, 2025."

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

18 "(ll) Effective July 1, 2025, the retirement allowance payable to, or on account of,  
19 beneficiaries whose retirement commenced on or before July 1, 2024, is increased by three  
20 percent (3%) of the allowance payable on June 1, 2024. Effective July 1, 2025, the retirement  
21 allowance payable to, or on account of, beneficiaries whose retirement commenced after July 1,  
22 2024, but before June 30, 2025, is increased by a prorated amount of three percent (3%), as  
23 determined by the Board of Trustees based upon the number of months that a retirement  
24 allowance was paid between July 1, 2024, and June 30, 2025."

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

26 "(ff) In accordance with subsection (a) of this section, effective July 1, 2025, the retirement  
27 allowance payable to, or on account of, beneficiaries whose retirement commenced on or before  
28 January 1, 2025, is increased by three percent (3%) of the allowance payable on June 1, 2025.  
29 Effective July 1, 2025, the retirement allowance payable to, or on account of, beneficiaries whose  
30 retirement commenced after January 1, 2025, but before June 30, 2025, is increased by a prorated  
31 amount of three percent (3%), as determined by the Board of Trustees based upon the number of  
32 months that a retirement allowance was paid between January 1, 2025, and June 30, 2025."

33 **SECTION 1.(d)** G.S. 128-27 is amended by adding a new subsection to read:

34 "(hhh) Effective July 1, 2025, the retirement allowance payable to, or on account of,  
35 beneficiaries whose retirement commenced on or before July 1, 2024, is increased by three  
36 percent (3%) of the allowance payable on June 1, 2025, in accordance with subsection (k) of this



1 section. Effective July 1, 2025, the retirement allowance payable to, or on account of,  
2 beneficiaries whose retirement commenced after July 1, 2024, but before June 30, 2025, is  
3 increased by a prorated amount of three percent (3%), as determined by the Board of Trustees  
4 based upon the number of months that a retirement allowance was paid between July 1, 2024,  
5 and June 30, 2025."

6 **SECTION 2.** There is appropriated from the General Fund to the Reserve for Retiree  
7 Cost-of-Living Adjustments the sum of two hundred fifty million dollars (\$250,000,000) in  
8 recurring funds for the 2025-2026 fiscal year to implement Section 1 of this act.

9 **SECTION 3.** This act becomes effective July 1, 2025.