

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1463*

Short Title: 1998 Retirement Benefits Act.

(Public)

Sponsors: Senators Jenkins; Ballance, Lucas, Martin of Pitt, Miller, Odom, Rand, Reeves, Shaw of Cumberland, and Weinstein.

Referred to: Pensions & Retirement and Insurance.

May 28, 1998

A BILL TO BE ENTITLED

1 AN ACT TO ENHANCE THE RETIREMENT BENEFITS PAYABLE FROM THE
2 TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE
3 CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, THE LEGISLATIVE
4 RETIREMENT SYSTEM, AND THE LOCAL GOVERNMENTAL EMPLOYEES'
5 RETIREMENT SYSTEM.
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 135-5(b17) reads as rewritten:

9 "(b17) Service Retirement Allowance of Members Retiring on or After July 1,
10 ~~1997-1997, but Before July 1, 1998.~~ – Upon retirement from service in accordance with
11 subsection (a) or (a1) above, on or after July 1, 1997, but before July 1, 1998, a member
12 shall receive the following service retirement allowance.

13 (1) A member who is a law enforcement officer or an eligible former law
14 enforcement officer shall receive a service retirement allowance
15 computed as follows:

16 a. If the member's service retirement date occurs on or after his
17 55th birthday, and completion of five years of creditable service
18 as a law enforcement officer, or after the completion of 30 years
19 of creditable service, the allowance shall be equal to one and

- 1 eighty hundredths percent (1.80%) of his average final
2 compensation, multiplied by the number of years of his
3 creditable service.
- 4 b. If the member's service retirement date occurs on or after his
5 50th birthday and before his 55th birthday with 15 or more years
6 of creditable service as a law enforcement officer and prior to the
7 completion of 30 years of creditable service, his retirement
8 allowance shall be equal to the greater of:
- 9 1. The service retirement allowance payable under G.S. 135-
10 5(b17)(1)a, reduced by one-third of one percent ($\frac{1}{3}$ of
11 1%) thereof for each month by which his retirement date
12 precedes the first day of the month coincident with or next
13 following the month the member would have attained his
14 55th birthday; or
- 15 2. The service retirement allowance as computed under G.S.
16 135-5(b17)(1)a. reduced by five percent (5%) times the
17 difference between 30 years and his creditable service at
18 retirement.
- 19 (2) A member who is not a law enforcement officer or an eligible former
20 law enforcement officer shall receive a service retirement allowance
21 computed as follows:
- 22 a. If the member's service retirement date occurs on or after his
23 65th birthday upon the completion of five years of membership
24 service or after the completion of 30 years of creditable service
25 or on or after his 60th birthday upon the completion of 25 years
26 of creditable service, the allowance shall be equal to one and
27 eighty hundredths percent (1.80%) of his average final
28 compensation, multiplied by the number of years of creditable
29 service.
- 30 b. If the member's service retirement date occurs after his 60th
31 birthday and before his 65th birthday and prior to his completion
32 of 25 years or more of creditable service, his retirement
33 allowance shall be computed as in G.S. 135-5(b17)(2)a. but shall
34 be reduced by one-quarter of one percent ($\frac{1}{4}$ of 1%) thereof for
35 each month by which his retirement date precedes the first day of
36 the month coincident with or next following his 65th birthday.
- 37 c. If the member's early service retirement date occurs on or after
38 his 50th birthday and before his 60th birthday and after
39 completion of 20 years of creditable service but prior to the
40 completion of 30 years of creditable service, his early service
41 retirement allowance shall be equal to the greater of:
- 42 1. The service retirement allowance as computed under G.S.
43 135-5(b17)(2)a. but reduced by the sum of five-twelfths of

1 one percent (5/12 of 1%) thereof for each month by which
2 his retirement date precedes the first day of the month
3 coincident with or next following the month the member
4 would have attained his 60th birthday, plus one-quarter of
5 one percent (1/4 of 1%) thereof for each month by which
6 his 60th birthday precedes the first day of the month
7 coincident with or next following his 65th birthday; or

8 2. The service retirement allowance as computed under G.S.
9 135-5(b17)(2)a. reduced by five percent (5%) times the
10 difference between 30 years and his creditable service at
11 retirement; or

12 3. If the member's creditable service commenced prior to
13 July 1, 1994, the service retirement allowance equal to the
14 actuarial equivalent of the allowance payable at the age of
15 60 years as computed in G.S. 135-5(b17)(2)b.

16 d. Notwithstanding the foregoing provisions, any member whose
17 creditable service commenced prior to July 1, 1963, shall not
18 receive less than the benefit provided by G.S. 135-5(b)."

19 Section 2. G.S. 135-5 is amended by adding a new subsection to read:

20 "(b18) Service Retirement Allowance of Members Retiring on or After July 1,
21 1998. – Upon retirement from service in accordance with subsection (a) or (a1) above, on
22 or after July 1, 1998, a member shall receive the following service retirement allowance:

23 (1) A member who is a law enforcement officer or an eligible former law
24 enforcement officer shall receive a service retirement allowance
25 computed as follows:

26 a. If the member's service retirement date occurs on or after his
27 55th birthday, and completion of five years of creditable service
28 as a law enforcement officer, or after the completion of 30 years
29 of creditable service, the allowance shall be equal to one and
30 eighty-one hundredths percent (1.81%) of his average final
31 compensation, multiplied by the number of years of his
32 creditable service.

33 b. If the member's service retirement date occurs on or after his
34 50th birthday and before his 55th birthday with 15 or more years
35 of creditable service as a law enforcement officer and prior to the
36 completion of 30 years of creditable service, his retirement
37 allowance shall be equal to the greater of:

38 1. The service retirement allowance payable under G.S. 135-
39 5(b18)(1)a., reduced by one-third of one percent (1/3 of
40 1%) thereof for each month by which his retirement date
41 precedes the first day of the month coincident with or next
42 following the month the member would have attained his
43 55th birthday; or

- 1 2. The service retirement allowance as computed under G.S.
2 135-5(b18)(1)a. reduced by five percent (5%) times the
3 difference between 30 years and his creditable service at
4 retirement.
- 5 (2) A member who is not a law enforcement officer or an eligible former
6 law enforcement officer shall receive a service retirement allowance
7 computed as follows:
- 8 a. If the member's service retirement date occurs on or after his
9 65th birthday upon the completion of five years of membership
10 service or after the completion of 30 years of creditable service
11 or on or after his 60th birthday upon the completion of 25 years
12 of creditable service, the allowance shall be equal to one and
13 eighty-one hundredths percent (1.81%) of his average final
14 compensation, multiplied by the number of years of creditable
15 service.
- 16 b. If the member's service retirement date occurs after his 60th
17 birthday and before his 65th birthday and prior to his completion
18 of 25 years or more of creditable service, his retirement
19 allowance shall be computed as in G.S. 135-5(b18)(2)a. but shall
20 be reduced by one-quarter of one percent (1/4 of 1%) thereof for
21 each month by which his retirement date precedes the first day of
22 the month coincident with or next following his 65th birthday.
- 23 c. If the member's early service retirement date occurs on or after
24 his 50th birthday and before his 60th birthday and after
25 completion of 20 years of creditable service but prior to the
26 completion of 30 years of creditable service, his early service
27 retirement allowance shall be equal to the greater of:
- 28 1. The service retirement allowance as computed under G.S.
29 135-5(b18)(2)a. but reduced by the sum of five-twelfths of
30 one percent (5/12 of 1%) thereof for each month by which
31 his retirement date precedes the first day of the month
32 coincident with or next following the month the member
33 would have attained his 60th birthday, plus one-quarter of
34 one percent (1/4 of 1%) thereof for each month by which
35 his 60th birthday precedes the first day of the month
36 coincident with or next following his 65th birthday; or
- 37 2. The service retirement allowance as computed under G.S.
38 135-5(b18)(2)a. reduced by five percent (5%) times the
39 difference between 30 years and his creditable service at
40 retirement; or
- 41 3. If the member's creditable service commenced prior to
42 July 1, 1994, the service retirement allowance equal to the

1 actuarial equivalent of the allowance payable at the age of
2 60 years as computed in G.S. 135-5(b18)(2)b.

- 3 d. Notwithstanding the foregoing provisions, any member whose
4 creditable service commenced prior to July 1, 1963, shall not
5 receive less than the benefit provided by G.S. 135-5(b)."

6 Section 3. G.S. 135-5(m) reads as rewritten:

7 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, the
8 principal beneficiary designated to receive a return of accumulated contributions shall
9 have the right to elect to receive in lieu thereof the reduced retirement allowance
10 provided by Option 2 of subsection (g) above computed by assuming that the member
11 had retired on the first day of the month following the date of his death, provided that the
12 following conditions apply:

- 13 (1) a. The member had attained such age and/or creditable service to be
14 eligible to commence retirement with an early or service retirement
15 allowance, or
16 b. The member had obtained 20 years of creditable service in which
17 case the retirement allowance shall be computed in accordance
18 with ~~G.S. 135-5(b17)(1)b.~~ G.S. 135-5(b18)(1)b. or ~~G.S. 135-~~
19 ~~5(b17)(2)e.,~~ G.S. 135-5(b18)(2)c., notwithstanding the
20 requirement of obtaining age 50.
21 (2) The member had designated as the principal beneficiary to receive a
22 return of his accumulated contributions one and only one person who
23 was living at the time of his death.
24 (3) The member had not instructed the Board of Trustees in writing that he
25 did not wish the provisions of this subsection to apply.

26 For the purpose of this benefit, a member is considered to be in service at the date of
27 his death if his death occurs within 180 days from the last day of his actual service. The
28 last day of actual service shall be determined as provided in subsection (l) of this
29 section. Upon the death of a member in service, the surviving spouse may make all
30 purchases for creditable service as provided for under this Chapter for which the member
31 had made application in writing prior to the date of death, provided that the date of death
32 occurred prior to or within 60 days after notification of the cost to make the purchase.
33 The term "in service" as used in this subsection includes a member in receipt of a benefit
34 under the Disability Income Plan as provided in Article 6 of this Chapter."

35 Section 4. G.S. 135-5 is amended by adding two new subsections to read:

36 "~~(eee)~~From and after July 1, 1998, the retirement allowance to or on account of
37 beneficiaries whose retirement commenced on or before July 1, 1997, shall be increased
38 by three and nine-tenths percent (3.9%) of the allowance payable on June 1, 1998, in
39 accordance with G.S. 135-5(o). Furthermore, from and after July 1, 1998, the retirement
40 allowance to or on account of beneficiaries whose retirement commenced after July 1,
41 1997, but before June 30, 1998, shall be increased by a prorated amount of three and
42 nine-tenths percent (3.9%) of the allowance payable as determined by the Board of

1 Trustees based upon the number of months that a retirement allowance was paid between
2 July 1, 1997, and June 30, 1998.

3 (fff) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1998. –
4 From and after July 1, 1998, the retirement allowance to or on account of beneficiaries on
5 the retirement rolls as of June 1, 1998, shall be increased by five-tenths of one percent
6 (0.5%) of the allowance payable on June 1, 1998. This allowance shall be calculated on
7 the allowance payable and in effect on June 30, 1998, so as not to be compounded on any
8 other increase granted by act of the 1997 General Assembly, 1998 Regular Session."

9 Section 5. G.S. 135-65 is amended by adding a new subsection to read:

10 "(s) From and after July 1, 1998, the retirement allowance to or on account of
11 beneficiaries whose retirement commenced on or before July 1, 1997, shall be increased
12 by four percent (4%) of the allowance payable on June 1, 1998. Furthermore, from and
13 after July 1, 1998, the retirement allowance to or on account of beneficiaries whose
14 retirement commenced after July 1, 1997, but before June 30, 1998, shall be increased by
15 a prorated amount of four percent (4%) of the allowance payable as determined by the
16 Board of Trustees based upon the number of months that a retirement allowance was paid
17 between July 1, 1997, and June 30, 1998."

18 Section 6. G.S. 120-4.22A is amended by adding a new subsection to read:

19 "(m) In accordance with subsection (a) of this section, from and after July 1, 1998,
20 the retirement allowance to or on account of beneficiaries whose retirement commenced
21 on or before January 1, 1998, shall be increased by four percent (4%) of the allowance
22 payable on June 1, 1998. Furthermore, from and after July 1, 1998, the retirement
23 allowance to or on account of beneficiaries whose retirement commenced after January 1,
24 1998, but before June 30, 1998, shall be increased by a prorated amount of four percent
25 (4%) of the allowance payable as determined by the Board of Trustees based upon the
26 number of months that a retirement allowance was paid between January 1, 1998, and
27 June 30, 1998."

28 Section 7. Required employer salary-related contributions for employees
29 whose salaries are paid from department, office, institution, or agency receipts shall be
30 paid from the same source as the source of the employees' salary. If an employee's salary
31 is paid in part from the General Fund or Highway Fund and in part from department,
32 office, institution, or agency receipts, required employer salary-related contributions may
33 be paid from the General Fund or Highway Fund only to the extent of the proportionate
34 part paid from the General Fund or Highway Fund in support of the salary of the
35 employee, and the remainder of the employer's requirements shall be paid from the
36 source that supplies the remainder of the employee's salary. The requirements of this
37 section as to source of payment are also applicable to payments on behalf of the
38 employee for hospital-medical benefits, longevity pay, unemployment compensation,
39 accumulated leave, workers' compensation, severance pay, separation allowances, and
40 applicable disability income and disability salary continuation benefits.

41 Section 8. Effective July 1, 1998, the State's employer contribution rates
42 budgeted for retirement and related benefits as a percentage of covered salaries for the
43 1997-98 fiscal year are (i) ten and eighty-three hundredths percent (10.83%) - Teachers

1 and State Employees; (ii) fifteen and eighty-three hundredths percent (15.83%) - State
2 Law Enforcement Officers; (iii) nineteen and fifty-seven hundredths percent (19.57%) -
3 Consolidated Judicial Retirement System; and (iv) twenty-four and fifty-eight hundredths
4 percent (24.58%) - Legislative Retirement System. Each of the foregoing contribution
5 rates includes two percent (2%) for hospital and medical benefits. The rate for State Law
6 Enforcement Officers includes five percent (5%) for the Supplemental Retirement
7 Income Plan. The rates for Teachers and State Employees, State Law Enforcement
8 Officers, and for the University Employees' Optional Retirement Program include fifty-
9 two hundredths percent (0.52%) for the Disability Income Plan.

10 Section 9. G.S. 128-27(b16) reads as rewritten:

11 "(b16) Service Retirement Allowance of Member Retiring on or after July 1,
12 ~~1997~~1997, but before July 1, 1998. – Upon retirement from service in accordance with
13 subsection (a) or (a1) above, on or after July 1, 1997, but before July 1, 1998, a member
14 shall receive the following service retirement allowance:

15 (1) A member who is a law enforcement officer or an eligible former law
16 enforcement officer shall receive a service retirement allowance
17 computed as follows:

18 a. If the member's service retirement date occurs on or after his
19 55th birthday, and completion of five years of creditable service
20 as a law enforcement officer, or after the completion of 30 years
21 of creditable service, the allowance shall be equal to one and
22 seventy-six hundredths percent (1.76%) of his average final
23 compensation, multiplied by the number of years of his
24 creditable service.

25 b. If the member's service retirement date occurs on or after his
26 50th birthday and before his 55th birthday with 15 or more years
27 of creditable service as a law enforcement officer and prior to the
28 completion of 30 years of creditable service, his retirement
29 allowance shall be equal to the greater of:

30 1. The service retirement allowance payable under G.S. 128-
31 27(b16)(1)a. reduced by one-third of one percent (1/3 of
32 1%) thereof for each month by which his retirement date
33 precedes the first day of the month coincident with or next
34 following the month the member would have attained his
35 55th birthday; or

36 2. The service retirement allowance as computed under G.S.
37 128-27(b16)(1)a. reduced by five percent (5%) times the
38 difference between 30 years and his creditable service at
39 retirement.

40 (2) A member who is not a law enforcement officer or an eligible former
41 law enforcement officer shall receive a service retirement allowance
42 computed as follows:

- 1 a. If the member's service retirement date occurs on or after his
2 65th birthday upon the completion of five years of creditable
3 service or after the completion of 30 years of creditable service
4 or on or after his 60th birthday upon the completion of 25 years
5 of creditable service, the allowance shall be equal to one and
6 seventy-six hundredths percent (1.76%) of average final
7 compensation, multiplied by the number of years of creditable
8 service.
- 9 b. If the member's service retirement date occurs after his 60th
10 birthday and before his 65th birthday and prior to his completion
11 of 25 years or more of creditable service, his retirement
12 allowance shall be computed as in G.S. 128-27(b16)(2)a. but
13 shall be reduced by one-quarter of one percent (1/4 of 1%)
14 thereof for each month by which his retirement date precedes the
15 first day of the month coincident with or next following his 65th
16 birthday.
- 17 c. If the member's early service retirement date occurs on or after
18 his 50th birthday and before his 60th birthday and after
19 completion of 20 years of creditable service but prior to the
20 completion of 30 years of creditable service, his early service
21 retirement allowance shall be equal to the greater of:
- 22 1. The service retirement allowance as computed under G.S.
23 128-27(b16)(2)a. but reduced by the sum of five-twelfths
24 of one percent (5/12 of 1%) thereof for each month by
25 which his retirement date precedes the first day of the
26 month coincident with or next following the month the
27 member would have attained his 60th birthday, plus one-
28 quarter of one percent (1/4 of 1%) thereof for each month
29 by which his 60th birthday precedes the first day of the
30 month coincident with or next following his 65th birthday;
31 or
- 32 2. The service retirement allowance as computed under G.S.
33 128-27(b16)(2)a. reduced by five percent (5%) times the
34 difference between 30 years and his creditable service at
35 retirement; or
- 36 3. If the member's creditable service commenced prior to
37 July 1, 1995, the service retirement allowance equal to the
38 actuarial equivalent of the allowance payable at the age of
39 60 years as computed in G.S. 128-27(b16)(2)b.
- 40 d. Notwithstanding the foregoing provisions, any member whose
41 creditable service commenced prior to July 1, 1965, shall not
42 receive less than the benefit provided by G.S. 128-27(b)."
- 43 Section 10. G.S. 128-27 is amended by adding a new subsection to read:

1 "(b17) Service Retirement Allowance of Member Retiring on or After July 1,
2 1998. – Upon retirement from service in accordance with subsection (a) or (a1) above, on
3 or after July 1, 1998, a member shall receive the following service retirement allowance:

4 (1) A member who is a law enforcement officer or an eligible former law
5 enforcement officer shall receive a service retirement allowance
6 computed as follows:

7 a. If the member's service retirement date occurs on or after his
8 55th birthday and completion of five years of creditable service
9 as a law enforcement officer, or after the completion of 30 years
10 of creditable service, the allowance shall be equal to one and
11 seventy-seven hundredths percent (1.77%) of his average final
12 compensation, multiplied by the number of years of his
13 creditable service.

14 b. If the member's service retirement date occurs on or after his
15 50th birthday and before his 55th birthday with 15 or more years
16 of creditable service as a law enforcement officer and prior to the
17 completion of 30 years of creditable service, his retirement
18 allowance shall be equal to the greater of:

19 1. The service retirement allowance payable under G.S. 128-
20 27(b17)(1)a. reduced by one-third of one percent (1/3 of
21 1%) thereof for each month by which his retirement date
22 precedes the first day of the month coincident with or next
23 following the month the member would have attained his
24 55th birthday; or

25 2. The service retirement allowance as computed under G.S.
26 128-27(b17)(1)a. reduced by five percent (5%) times the
27 difference between 30 years and his creditable service at
28 retirement.

29 (2) A member who is not a law enforcement officer or an eligible former
30 law enforcement officer shall receive a service retirement allowance
31 computed as follows:

32 a. If the member's service retirement date occurs on or after his
33 65th birthday upon the completion of five years of creditable
34 service or after the completion of 30 years of creditable service
35 or on or after his 60th birthday upon the completion of 25 years
36 of creditable service, the allowance shall be equal to one and
37 seventy-seven hundredths percent (1.77%) of average final
38 compensation, multiplied by the number of years of creditable
39 service.

40 b. If the member's service retirement date occurs after his 60th
41 birthday and before his 65th birthday and prior to his completion
42 of 25 years or more of creditable service, his retirement
43 allowance shall be computed as in G.S. 128-27(b17)(2)a. but

1 shall be reduced by one-quarter of one percent (1/4 of 1%)
2 thereof for each month by which his retirement date precedes the
3 first day of the month coincident with or next following his 65th
4 birthday.

5 c. If the member's early service retirement date occurs on or after
6 his 50th birthday and before his 60th birthday and after
7 completion of 20 years of creditable service but prior to the
8 completion of 30 years of creditable service, his early service
9 retirement allowance shall be equal to the greater of:

10 1. The service retirement allowance as computed under G.S.
11 128-27(b17)(2)a. but reduced by the sum of five-twelfths
12 of one percent (5/12 of 1%) thereof for each month by
13 which his retirement date precedes the first day of the
14 month coincident with or next following the month the
15 member would have attained his 60th birthday, plus one-
16 quarter of one percent (1/4 of 1%) thereof for each month
17 by which his 60th birthday precedes the first day of the
18 month coincident with or next following his 65th birthday;

19 or

20 2. The service retirement allowance as computed under G.S.
21 128-27(b17)(2)a. reduced by five percent (5%) times the
22 difference between 30 years and his creditable service at
23 retirement; or

24 3. If the member's creditable service commenced prior to
25 July 1, 1995, the service retirement allowance equal to the
26 actuarial equivalent of the allowance payable at the age of
27 60 years as computed in G.S. 128-27(b17)(2)b.

28 d. Notwithstanding the foregoing provisions, any member whose
29 creditable service commenced prior to July 1, 1965, shall not
30 receive less than the benefit provided by G.S. 128-27(b)."

31 Section 11. G.S. 128-27(m) reads as rewritten:

32 "(m) Survivor's Alternate Benefit. – Upon the death of a member in service, the
33 principal beneficiary designated to receive a return of accumulated contributions shall
34 have the right to elect to receive in lieu thereof the reduced retirement allowance
35 provided by Option two of subsection (g) above computed by assuming that the member
36 had retired on the first day of the month following the date of his death, provided that all
37 three of the following conditions apply:

38 (1) a. The member had attained such age and/or creditable service to be
39 eligible to commence retirement with an early or service retirement
40 allowance, or

41 b. The member had obtained 20 years of creditable service in which
42 case the retirement allowance shall be computed in accordance
43 with ~~G.S. 128-27(b16)(1)b.~~ G.S. 128-27(b17)(1)b. or ~~G.S. 128-~~

1 ~~27(b16)(2)e.,~~ G.S. 128-27(b17)(2)c., notwithstanding the
2 requirement of obtaining age 50.

3 (2) The member had designated as the principal beneficiary to receive a
4 return of his accumulated contributions one and only one person who is
5 living at the time of his death.

6 (3) The member had not instructed the Board of Trustees in writing that he
7 did not wish the provisions of this subsection apply.

8 For the purpose of this benefit, a member is considered to be in service at the date of
9 his death if his death occurs within 180 days from the last day of his actual service. The
10 last day of actual service shall be determined as provided in subsection (l) of this
11 section. Upon the death of a member in service, the surviving spouse may make all
12 purchases for creditable service as provided for under this Chapter for which the member
13 had made application in writing prior to the date of death, provided that the date of death
14 occurred prior to or within 60 days after notification of the cost to make the purchase."

15 Section 12. G.S. 128-27 is amended by adding two new subsections to read:

16 "(uu) From and after July 1, 1998, the retirement allowance to or on account of
17 beneficiaries whose retirement commenced on or before July 1, 1997, shall be increased
18 by four percent (4%) of the allowance payable on June 1, 1998, in accordance with
19 subsection (k) of this section. Furthermore, from and after July 1, 1998, the retirement
20 allowance to or on account of beneficiaries whose retirement commenced after July 1,
21 1997, but before June 30, 1998, shall be increased by a prorated amount of four percent
22 (4%) of the allowance payable as determined by the Board of Trustees based upon the
23 number of months that a retirement allowance was paid between July 1, 1997, and June
24 30, 1998.

25 (vv) Increase in Allowance as to Persons on Retirement Rolls as of June 1, 1998. –
26 From and after July 1, 1998, the retirement allowance to or on account of beneficiaries on
27 the retirement rolls as of June 1, 1998, shall be increased by six-tenths of one percent
28 (0.6%) of the allowance payable on June 1, 1998. This allowance shall be calculated on
29 the allowance payable and in effect on June 30, 1998, so as not to be compounded on any
30 other increase payable under subsection (k) of this section or otherwise granted by act of
31 the 1997 General Assembly."

32 Section 13. This act becomes effective July 1, 1998.