

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017**

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SENATE BILL 314

Short Title: Give Retirees 2% COLA/Funds. (Public)

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

Referred to: Rules and Operations of the Senate

March 20, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A COST-OF-LIVING ADJUSTMENT FOR RETIREES OF THE
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE JUDICIAL
RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

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

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

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

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

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

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

SECTION 2. There is appropriated from the General Fund to the Reserve for Retiree Cost-of-Living Adjustments the sum of eighty-eight million dollars (\$88,000,000) for the 2017-2018 fiscal year and the sum of eighty-eight million dollars (\$88,000,000) for the 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.