

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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SENATE BILL 243

Short Title: Give Retirees 5% COLA/Funds. (Public)

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

Referred to: Rules and Operations of the Senate

March 14, 2019

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:

"(xxx) From and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2018, shall be increased by five percent (5%) of the allowance payable on June 1, 2019, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2018, but before June 30, 2019, shall be increased by a prorated amount of five percent (5%) 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, 2018, and June 30, 2019."

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

"(ii) From and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2018, shall be increased by five percent (5%) of the allowance payable on June 1, 2019. Furthermore, from and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2018, but before June 30, 2019, shall be increased by a prorated amount of five percent (5%) 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, 2018, and June 30, 2019."

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

"(cc) In accordance with subsection (a) of this section, from and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before January 1, 2019, shall be increased by five percent (5%) of the allowance payable on June 1, 2019. Furthermore, from and after July 1, 2019, the retirement allowance to or on account of beneficiaries whose retirement commenced after January 1, 2019, but before June 30, 2019, shall be increased by a prorated amount of five percent (5%) 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, 2019, and June 30, 2019."

SECTION 2. There is appropriated from the General Fund to the Reserve for Retiree Cost-of-Living Adjustments the sum of two hundred forty million dollars (\$240,000,000) in recurring funds for the 2019-2020 fiscal year and the sum of two hundred forty million dollars (\$240,000,000) in recurring funds for the 2020-2021 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, 2019.