

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 759

Short Title: Retirement System COLAs. (Public)

Sponsors: Representative L. Bell (Primary Sponsor).

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Pensions and Retirement, if favorable, Appropriations.

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO PROVIDE COST-OF-LIVING INCREASES FOR MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE LEGISLATIVE RETIREMENT SYSTEM, AND THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM.

The General Assembly of North Carolina enacts:

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

"(uuu) From and after July 1, 2015, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2014, shall be increased by two percent (2%) of the allowance payable on June 1, 2014, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 2015, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2014, but before June 30, 2015, 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, 2014, and June 30, 2015."

SECTION 2.(a) G.S. 128-27 is amended by adding five new subsections to read:

"(hhh) From and after July 1, 2006, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2005, shall be increased by two and eight-tenths percent (2.8%) of the allowance payable on June 1, 2006, in accordance with subsection (k) of this section. Furthermore, from and after July 1, 2006, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2005, but before June 30, 2006, shall be increased by a prorated amount of two and eight-tenths percent (2.8%) 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, 2005, and June 30, 2006.

(iii) From and after July 1, 2007, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2006, shall be increased by two and two-tenths percent (2.2%) of the allowance payable on June 1, 2007, in accordance with subsection (k) of this section. Furthermore, from and after July 1, 2007, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2006, but before June 30, 2007, shall be increased by a prorated amount of two and two-tenths percent (2.2%) of the allowance payable as determined by the Board of Trustees based upon the



1 number of months that a retirement allowance was paid between July 1, 2006, and June 30,
2 2007.

3 (jjj) From and after July 1, 2008, the retirement allowance to or on account of
4 beneficiaries whose retirement commenced on or before July 1, 2007, shall be increased by two
5 and fifteen-hundredths percent (2.15%) of the allowance payable on June 1, 2008, in
6 accordance with subsection (k) of this section. Furthermore, from and after July 1, 2008, the
7 retirement allowance to or on account of beneficiaries whose retirement commenced after July
8 1, 2007, but before June 30, 2008, shall be increased by a prorated amount of two and
9 fifteen-hundredths percent (2.15%) of the allowance payable as determined by the Board of
10 Trustees based upon the number of months that a retirement allowance was paid between July
11 1, 2007, and June 30, 2008.

12 (kkk) From and after July 1, 2009, the retirement allowance to or on account of
13 beneficiaries whose retirement commenced on or before July 1, 2008, shall be increased by
14 one-tenth of one percent (0.1%) of the allowance payable on June 1, 2009, in accordance with
15 subsection (k) of this section. Furthermore, from and after July 1, 2009, the retirement
16 allowance to or on account of beneficiaries whose retirement commenced after July 1, 2008,
17 but before June 30, 2009, shall be increased by a prorated amount of one-tenth of one percent
18 (0.1%) of the allowance payable as determined by the Board of Trustees based upon the
19 number of months that a retirement allowance was paid between July 1, 2008, and June 30,
20 2009.

21 (lll) From and after July 1, 2015, the retirement allowance to or on account of
22 beneficiaries whose retirement commenced on or before July 1, 2014, shall be increased by two
23 percent (2%) of the allowance payable on June 1, 2015, in accordance with subsection (k) of
24 this section. Furthermore, from and after July 1, 2015, the retirement allowance to or on
25 account of beneficiaries whose retirement commenced after July 1, 2014, but before June 30,
26 2015, shall be increased by a prorated amount of two percent (2%) of the allowance payable as
27 determined by the Board of Trustees based upon the number of months that a retirement
28 allowance was paid between July 1, 2014, and June 30, 2015."

29 **SECTION 2.(b)** The cost-of-living increases provided for in G.S. 128-27(hhh)
30 through (kkk), as enacted in subsection (a) of this section, represent increases already provided
31 by the Board of Trustees to members of the Local Governmental Employees' Retirement
32 System.

33 **SECTION 3.** G.S. 120-4.22A is amended by adding a new subsection to read:

34 "(z) In accordance with subsection (a) of this section, from and after July 1, 2015, the
35 retirement allowance to or on account of beneficiaries whose retirement commenced on or
36 before January 1, 2015, shall be increased by two percent (2%) of the allowance payable on
37 June 1, 2015. Furthermore, from and after July 1, 2015, the retirement allowance to or on
38 account of beneficiaries whose retirement commenced after January 1, 2015, but before June
39 30, 2015, shall be increased by a prorated amount of two percent (2%) of the allowance payable
40 as determined by the Board of Trustees based upon the number of months that a retirement
41 allowance was paid between January 1, 2014, and June 30, 2015."

42 **SECTION 4.** G.S. 135-65 is amended by adding a new subsection to read:

43 "(ff) From and after July 1, 2015, the retirement allowance to or on account of
44 beneficiaries whose retirement commenced on or before July 1, 2014, shall be increased by two
45 percent (2%) of the allowance payable on June 1, 2015. Furthermore, from and after July 1,
46 2015, the retirement allowance to or on account of beneficiaries whose retirement commenced
47 after July 1, 2014, but before June 30, 2015, shall be increased by a prorated amount of two
48 percent (2%) of the allowance payable as determined by the Board of Trustees based upon the
49 number of months that a retirement allowance was paid between July 1, 2014, and June 30,
50 2015."

51 **SECTION 5.** This act becomes effective July 1, 2015.