

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE DRS35356-LL-279 (5/12)

Short Title: Mandatory Cost-of-Living Increases/Retirees. (Public)

Sponsors: Senator Malone.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE MANDATORY COST-OF-LIVING INCREASES TO
RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT
SYSTEM EQUAL TO THE COST-OF-LIVING PAY INCREASE GIVEN TO
STATE EMPLOYEES.

The General Assembly of North Carolina enacts:

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

"(ooo) Effective July 1, 2005, and each July 1 thereafter, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1 of the previous year shall be increased by the same percentage as the cost-of-living salary increase provided to State employees for the fiscal year commencing on July 1 of the current year. Furthermore, from and after July 1, 2005, and each July 1 thereafter, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1 of the previous year but before June 30 of the current year shall be increased by a prorated amount of the same percentage as the cost-of-living salary increase provided to State employees for the fiscal year commencing on July 1 of the current year, payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1 of the previous year and June 30 of the current year."

SECTION 2. This act becomes effective July 1, 2006.