

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

S

1

SENATE BILL 975*

Short Title: Retirement System COLAs. (Public)

Sponsors: Senator Dannelly.

Referred to: Pensions & Retirement and Aging.

March 24, 2005

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:

"(nnn) From and after July 1, 2005, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2004, shall be increased by three and three-tenths percent (3.3%) of the allowance payable on June 1, 2005, in accordance with G.S. 135-5(o). Furthermore, from and after July 1, 2005, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2004, but before June 30, 2005, shall be increased by a prorated amount of three and three-tenths percent (3.3%) 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, 2004, and June 30, 2005."

SECTION 2. G.S. 128-27 is amended by adding a new subsection to read:

"(ggg) From and after July 1, 2005, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2004, shall be increased by three and three-tenths percent (3.3%) of the allowance payable on June 1, 2005, in accordance with subsection (k) of this section. Furthermore, from and after July 1, 2005, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2004, but before June 30, 2005, shall be increased by a prorated amount of three and three-tenths percent (3.3%) 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, 2004, and June 30, 2005."

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

1 "(t) In accordance with subsection (a) of this section, from and after July 1, 2005,
2 the retirement allowance to or on account of beneficiaries whose retirement commenced
3 on or before January 1, 2005, shall be increased by three and three-tenths percent
4 (3.3%) of the allowance payable on June 1, 2005. Furthermore, from and after July 1,
5 2005, the retirement allowance to or on account of beneficiaries whose retirement
6 commenced after January 1, 2005, but before June 30, 2005, shall be increased by a
7 prorated amount of three and three-tenths percent (3.3%) of the allowance payable as
8 determined by the Board of Trustees based upon the number of months that a retirement
9 allowance was paid between January 1, 2005, and June 30, 2005."

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

11 "(z) From and after July 1, 2005, the retirement allowance to or on account of
12 beneficiaries whose retirement commenced on or before July 1, 2004, shall be increased
13 by three and three-tenths percent (3.3%) of the allowance payable on June 1, 2005, in
14 accordance with G.S. 135-5(o). Furthermore, from and after July 1, 2005, the retirement
15 allowance to or on account of beneficiaries whose retirement commenced after July 1,
16 2004, but before June 30, 2005, shall be increased by a prorated amount of three and
17 three-tenths percent (3.3%) of the allowance payable as determined by the Board of
18 Trustees based upon the number of months that a retirement allowance was paid
19 between July 1, 2004, and June 30, 2005."

20 **SECTION 5.** This act becomes effective July 1, 2005.