

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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HOUSE BILL 1047

Short Title: 2.5% COLA for State Retirees/Funds. (Public)

Sponsors: Representatives Logan, Brown, Hunt, and Clemmons (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 26, 2022

A BILL TO BE ENTITLED

AN ACT PROVIDING A COST-OF-LIVING ADJUSTMENT FOR RETIREES OF THE
TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE
CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE
RETIREMENT SYSTEM; AND APPROPRIATING FUNDS FOR THAT PURPOSE.

The General Assembly of North Carolina enacts:

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

"(zzz) From and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2021, shall be increased by two and one-half percent (2.5%) of the allowance payable on June 1, 2022, in accordance with subsection (o) of this section. Furthermore, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2021, but before June 30, 2022, shall be increased by a prorated amount of two and one-half percent (2.5%) 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, 2021, and June 30, 2022."

SECTION 2. G.S. 135-65 is amended by adding a new subsection to read:

"(kk) From and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2021, shall be increased by two and one-half percent (2.5%) of the allowance payable on June 1, 2022. Furthermore, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2021, but before June 30, 2022, shall be increased by a prorated amount of two and one-half percent (2.5%) 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, 2021, and June 30, 2022."

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

"(ee) In accordance with subsection (a) of this section, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before January 1, 2022, shall be increased by two and one-half percent (2.5%) of the allowance payable on June 1, 2022. Furthermore, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced after January 1, 2022, but before June 30, 2022, shall be increased by a prorated amount of two and one-half percent (2.5%) 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, 2022, and June 30, 2022."

SECTION 4. There is appropriated from the General Fund to the Reserve for Retiree Cost-of-Living Adjustments the sum of one hundred twenty-seven million dollars



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1 (\$127,000,000) for the 2022-2023 fiscal year to implement the cost-of-living adjustments
2 authorized by this act.
3 **SECTION 5.** This act becomes effective July 1, 2022.