

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1861

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

Sponsors: Senators Malone; Atwater, Berger of Franklin, Cowell, Dannelly, Dorsett, Hartsell, Holloman, Kinnaird, Lucas, Nesbitt, Presnell, Purcell, Snow, Stevens, and Swindell.

Referred to: Appropriations/Base Budget.

May 25, 2006

A BILL TO BE ENTITLED

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

6 The General Assembly of North Carolina enacts:

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

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

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