

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE DRS55143-LL-139B* (12/31)

Short Title: Retirement System COLAs. (Public)

Sponsors: Senator Dannelly.

Referred to:

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."

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

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

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

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

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