

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

H

D

HOUSE DRH60418-LL-188 (4/13)

Short Title: Mandatory COLA for TSERS Retirees. (Public)

Sponsors: Representative B. Allen.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A MANDATORY COST-OF-LIVING INCREASE FOR
RETIREEES OF THE TEACHERS' AND STATE EMPLOYEES' 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 the ratio of the unadjusted 12-month (December to December) Consumer Price Index for All Urban Consumers to that index one year earlier. 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 the ratio of the unadjusted 12-month (December to December) Consumer Price Index for All Urban Consumers to that index one year earlier, 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. If the Consumer Price Index for All Urban Consumers is renamed, the renamed index shall continue to apply to this subsection. If the Consumer Price Index for All Urban Consumers is discontinued, the Retirement Systems Division shall use the index that the Board of Trustees finds is the most similar."

SECTION 2. This act becomes effective July 1, 2005.