

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

FILED SENATE
May 26, 2020
S.B. 851
PRINCIPAL CLERK

S

D

SENATE BILL DRS35403-MRap-177

Short Title: One-Time Retiree Supplement/Funds. (Public)

Sponsors: Senators Waddell, Chaudhuri, and Foushee (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE A ONE-TIME COST-OF-LIVING SUPPLEMENT OF FIVE HUNDRED DOLLARS TO THE RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM AND TO THE BENEFICIARIES OF THE NORTH CAROLINA FIREFIGHTERS' AND RESCUE SQUAD WORKERS' PENSION FUND, THE NORTH CAROLINA NATIONAL GUARD PENSION FUND, AND THE REGISTER OF DEEDS' SUPPLEMENTAL PENSION FUND.

The General Assembly of North Carolina enacts:

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

"(xxx) On or before September 1, 2020, a one-time cost-of-living supplement payment in the amount of five hundred dollars (\$500.00) shall be made to or on account of beneficiaries who are living as of August 1, 2020, and whose retirement commenced on or before August 1, 2020. If the beneficiary dies before the payment is made, then the payment shall be payable to the member's legal representative. No beneficiary shall be deemed to have acquired a vested right to any future supplemental payments."

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

"(hhh) On or before September 1, 2020, a one-time cost-of-living supplement payment in the amount of five hundred dollars (\$500.00) shall be made to or on account of beneficiaries who are living as of August 1, 2020, and whose retirement commenced on or before August 1, 2020. If the beneficiary dies before the payment is made, then the payment shall be payable to the member's legal representative. No beneficiary shall be deemed to have acquired a vested right to any future supplemental payments."

SECTION 3. G.S. 135-65 is amended by adding a new subsection to read:

"(ii) On or before September 1, 2020, a one-time cost-of-living supplement payment in the amount of five hundred dollars (\$500.00) shall be made to or on account of beneficiaries who are living as of August 1, 2020, and whose retirement commenced on or before August 1, 2020. If the beneficiary dies before the payment is made, then the payment shall be payable to the member's legal representative. No beneficiary shall be deemed to have acquired a vested right to any future supplemental payments."

SECTION 4. G.S. 120-4.22A is amended by adding a new subsection to read:

"(cc) In accordance with subsection (a) of this section, on or before September 1, 2020, a one-time cost-of-living supplement payment in the amount of five hundred dollars (\$500.00) shall be made to or on account of beneficiaries who are living as of August 1, 2020, and whose



* D R S 3 5 4 0 3 - M R A P - 1 7 7 *

1 retirement commenced on or before August 1, 2020. If the beneficiary dies before the payment
2 is made, then the payment shall be payable to the member's legal representative. No beneficiary
3 shall be deemed to have acquired a vested right to any future supplemental payments."

4 **SECTION 5.** On or before September 1, 2020, a one-time cost-of-living
5 supplemental payment in the amount of five hundred dollars (\$500.00) shall be made to or on
6 account of beneficiaries of the North Carolina Firefighters' and Rescue Squad Workers' Pension
7 Fund under Article 86 of Chapter 58 of the General Statutes who are living as of August 1, 2020,
8 and whose retirement commenced on or before August 1, 2020. If the beneficiary dies before the
9 payment is made, then the payment shall be payable to the member's legal representative. No
10 beneficiary shall be deemed to have acquired a vested right to any future supplemental payments.

11 **SECTION 6.** On or before September 1, 2020, a one-time cost-of-living
12 supplemental payment in the amount of five hundred dollars (\$500.00) shall be made to or on
13 account of beneficiaries of the North Carolina National Guard Pension Fund under G.S. 127A-40
14 who are living as of August 1, 2020, and whose retirement commenced on or before August 1,
15 2020. If the beneficiary dies before the payment is made, then the payment shall be payable to
16 the member's legal representative. No beneficiary shall be deemed to have acquired a vested right
17 to any future supplemental payments.

18 **SECTION 7.** On or before September 1, 2020, a one-time cost-of-living
19 supplemental payment in the amount of five hundred dollars (\$500.00) shall be made to or on
20 account of beneficiaries of the Register of Deeds' Supplemental Pension Fund under Article 3 of
21 Chapter 161 of the General Statutes (i) who are living as of August 1, 2020, (ii) whose retirement
22 commenced on or before August 1, 2020, and (iii) who are not eligible for receipt of the one-time
23 cost-of-living supplement under Section 2 of this act. If the beneficiary dies before the payment
24 is made, then the payment shall be payable to the member's legal representative. No beneficiary
25 shall be deemed to have acquired a vested right to any future supplemental payments.

26 **SECTION 8.** There is appropriated from the General Fund to the Reserve for Retiree
27 Cost-of-Living Supplemental Payments the sum of eighty-three million dollars (\$83,000,000) in
28 nonrecurring funds for the 2020-2021 fiscal year to implement the cost-of-living adjustment
29 authorized under Sections 1, 3, 4, 5, and 6 of this act.

30 **SECTION 9.** Notwithstanding any other provision of law to the contrary, in order to
31 administer the one-time cost-of-living supplement for retirees provided for in this act, the
32 Retirement Systems Division of the Department of State Treasurer may increase receipts from
33 the retirement assets of the corresponding retirement system or pay costs associated with the
34 administration of the payment directly from the retirement assets.

35 **SECTION 10.** This act becomes effective July 1, 2020.