

HB 329 -- COST OF LIVING ADJUSTMENT FOR PSRS AND PEERS

SPONSOR: Haley

Currently, retired members of the Public School Retirement System ("PSRS") and the Public Education Employee Retirement System ("PEERS") may receive yearly cost of living adjustments on monthly retirement allowances, but the total of the cost of living adjustments must not exceed 80% of a member's original monthly retirement allowance.

Under the provisions of this bill, the 80% limitation will be subject to annual increases approved by the Board of Trustees beginning December 31, 2025 and every December 31st thereafter, except the increases to the limitation must not exceed 1% per year. Additionally, if the investments of the system earn 2% or greater returns than the investment return rate adopted by the Board, the limitation on the total cost of living adjustments must be increased by 1%. However, the cost of living adjustments must not exceed 100% of a member's original monthly retirement allowance.

This bill is the same as SB 1421 (2024).