

HB 2095 -- LIMITATIONS ON COST OF LIVING INCREASES ON RETIREMENT ALLOWANCES FOR PUBLIC SCHOOL EMPLOYEES

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, annual increases may be approved by the Board of Trustees beginning December 31, 2026, and every December 31st thereafter, except the increases to the limitation must not exceed 2% per year.

Additionally, if the investments of the system earn 2% or greater returns than the investment return rate adopted by the Board in a given year, the 80% cap limitation on the total cost of living adjustments may be increased by 2% for that year. However, the cost of living adjustments above 80% are not culmulative.

This bill is the similar as HB 329 (2025).