



**Regional Comparison of Cost-of-Living Provisions
For Employees Hired Currently**

Plan	COLA Provision
New Mexico PERA	Automatic, based on funding level and investment performance with a minimum of 0.5% and a max of 3.0%; max rises to 5.0% if funding level is 100% or higher. The plan's consulting actuary assumes the following future COLA levels: through 2039: 1.25%; 2040 to 2054: 1.60%; after 2054: 2.0%. Retirees become eligible for a COLA two years after retirement.
New Mexico ERB	Based on CPI. If CPI is less than 2.0%, the COLA is equal to the change in CPI. If the change in CPI is greater than 2.0%, the COLA is equal to one-half of the change in CPI, but not less than 2.0% nor more than 4.0%. COLAs for all current and future retirees are reduced until ERB is 100% funded, depending on retiree's annuity level and length of service. Retirees become eligible for a COLA at age 65 or 67, depending on their plan tier.
Arizona Public Safety Personnel Retirement System	Automatic, based on CPI up to 2.0%. The max is 1.5% if the system funding level is below 90%; 1.0% if below 80% funded; and the COLA is eliminated if the plan is funded below 70%.
Arizona State Retirement System	Ad hoc as approved by the legislature
Colorado Fire & Police (non-Social Security)	Ad hoc as approved by the board
Colorado PERA (non Social Security)	COLA depends on employer contribution effort, with a minimum of 0.5% and max of 2.0%. Retirees become eligible for a COLA three years after retiring.
Oklahoma PERS	Ad hoc as approved by the legislature
Oklahoma TRS	
Texas ERS (state employees)	Ad hoc as approved by the legislature
Texas TRS (mostly non-Social Security)	Ad hoc as approved by the legislature
Utah RS	Automatic based on CPI up to 2.5%, simple