

# News from Jones Street

*Your legislative updates from Jackson Cozort,  
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## **February 27, 2026**

### **The North Carolina Investment Authority Board: A New Chapter Begins**

February 25, 2026, marked an important moment in North Carolina's financial governance for both State and Local Retirees. I was present as the newly formed North Carolina Investment Authority Board met for the first time as a fully appointed board, formally beginning a new chapter in how our state manages its investments. Treasurer Briner opened the meeting acknowledging that many years of poor investment returns have been specifically detrimental to our government retirees. The goal of this new board is to change that.

The creation of the North Carolina Investment Authority did not happen overnight. It was the result of legislation passed by the General Assembly in 2025 that restructured the state's investment governance model. For many years, North Carolina remained one of the last few states that operated under a sole fiduciary structure in which the State Treasurer held sole authority over investment decisions. The legislation, HB 506: The State Investment Modernization Act, which was publicly endorsed by RGEA and ultimately enacted by lawmakers transitioned the state from an archaic sole fiduciary investment model, to a multi member board model designed to broaden expertise and strengthen long term oversight.

The board is composed of experienced investment professionals and public finance leaders, bringing together a mix of institutional knowledge and private sector experience:

#### **State Treasurer Brad Briner – Board Chair**

- Briner was elected Treasurer in 2024 and has made investment modernization a central priority of his administration.
- He previously served as Co-Chief Investment Officer for Willett Advisors. Willett manages the philanthropic and personal investment assets for Mike Bloomberg.

#### **Dan Ward – Senate Appointee**

- Ward previously served as the Chief Investment Officer for the Virginia Tech Foundation.
- He currently leads investment strategy at the Greenhawk Family Office.

#### **Mark Roberts – House Appointee**

- Roberts is Chief Investment Officer at Ironside Asset Advisors.
- He also previously served in leadership roles at the North Carolina Retirement Systems, giving him direct familiarity with the state's investment landscape.

### **Stephanie Lynch – Treasurer Appointee**

- Lynch is Co-founder and Managing Partner at Global Endowment Management.
- She previously served as Chief Investment Officer at The Duke Endowment.

### **Sallie Shuping-Russell – Governor Appointee**

- Shuping-Russell is Managing Director with BlackRock Private Equity Partners.
- She co-founded DUMAC, the management company charged with overseeing Duke University’s endowment and retirement funds.

North Carolina manages well over two hundred billion dollars in public assets, including the funds that support the retirement security of teachers, state employees, and local government retirees. Considering that a true COLA for TSERS and especially LGERS depends on these investments maintaining a 6.5% positive investment return over a 3-year period, (G.S. 128-27(k)) the State’s investment performance is paramount to the future of our government retirees.

North Carolina concluded the 2025 calendar year with a fantastic thirteen percent positive return, delivering roughly sixteen billion dollars in gains. These returns took our state’s investment standings from one of the worst in the country to a position where continued success should generate COLAs for both state and local retirees on a yearly basis. We can only anticipate that the addition of their expertise can only strengthen these already strong investment returns, and turn the page on two decades of less than average investment returns and rare COLAs for its government retirees.

This week’s meeting represents more than the formation of another board. It represents a shift in how North Carolina approaches the overall future for both its State and Local Government Retirees. RGEA will continue to keep its members updated as this new board continues its work in 2026.

## **February 20, 2026**

### **The Election That Really Decides the Seat**

Many may not realize it, but for most North Carolinians, the election that determines who represents them is not in November. It is happening right now. That may seem counterintuitive, because for most of our lives we have been conditioned to believe that the “real” election is the general election in the fall. November is when yard signs multiply, television ads saturate the airwaves, and the political energy feels almost unavoidable. But in much of North Carolina today, particularly at the legislative level, the decisive election is the primary.

This reality has accelerated over the past two decades. Particularly at the state legislative level, North Carolina once had a much larger number of truly competitive general elections. There were significant swing districts where either party could prevail depending on the candidates and the mood of the electorate. Over time, however, district lines have been redrawn through multiple rounds of redistricting and, as many have argued, gerrymandering, and today most legislative districts lean heavily toward one party or the other. The debate over how those lines are drawn remains ongoing, often contentious, and frequently ends up in court. Regardless of where one stands in that debate, the practical outcome is clear: in a significant majority of legislative districts, the general election result is largely determined before the general election campaigns even begin.

Primary elections typically attract lower turnout than general elections. They receive less attention and less coverage.

Yet in modern-day North Carolina, they often carry greater consequences. A few hundred votes can determine which legislative candidate advances to the general election, and, in many cases, who ultimately takes office. That reality gives engaged primary voters significant influence over the direction of representation for years to come.

For retirees, understanding this shift is essential to ensuring your voice is heard and your vote carries weight. The lawmakers chosen in a majority of these primary races will ultimately make decisions about pension funding, cost-of-living adjustments, healthcare policy, and the long-term fiscal health of our state. Waiting until November in a district that strongly favors one party may mean casting a vote after the most meaningful decision has already been made.

The purpose of this article is not to argue whether this new iteration in our local legislative election landscape is good or bad. It is to recognize the structure as it exists today and to understand how important primary elections have become. The general election does not carry the same weight it once did. In many districts, the primary is not simply a preview of November. It is November.

**February 13, 2026**

### **The Treasurer's Legacy: From Colonial Taxes to Protecting Retiree Futures**

As budget negotiations continue to stall, I've been thinking a lot lately about the quiet guardians who keep our state running behind the scenes. As a lobbyist who's spent years watching the very public twists and turns on Jones Street, it's easy to get caught up in the day-to-day battles over budgets and bills. But sometimes, it helps to step back and look at the big picture. Take the office of the North Carolina State Treasurer, it's one of those roles that's been around since before our state was even a state, evolving from a colonial tax collector to the steward of billions in funds. And in a time when the legislature cannot quite seem to get it together, it's a good moment to reflect on how that legacy can directly affect, both positively and negatively the lives of state and local retirees.

Picture this: back in 1715, when North Carolina was still a British colony tangled in wars and wilderness, Edward Moseley became our first documented Treasurer. Appointed by the House of Burgesses, his job was simple yet vital, collect taxes to fund military expeditions. It wasn't glamorous; it was about survival.

After independence, in 1784, the new General Assembly created a single State Treasurer, elected by both houses for two-year terms. Memucan Hunt was the first, followed by the in John Haywood, who served an astonishing 40 years from 1787 to 1827. Haywood wasn't just a money collector; he was a commissioner for Raleigh's charter, helping build the capital we know today. The office stayed appointed until the 1868 Constitution made it popularly elected, putting power directly in the hands of the people. By the 1940s, the Treasurer's duties expanded to include managing pension funds like TSERS and LGERS (established in 1941 and 1945, respectively), ensuring public servants could retire with dignity.

Today, the Treasurer is our state's chief financial officer, overseeing investments, debt, and retirement systems that protect fixed incomes for hundreds of thousands of retirees. The focus of this office remains on fiscal accountability, examining state accounts, and safeguarding benefits like the state and local pensions and health plans. Being the state Treasurer today is barely even comparable to Moseley's role as treasurer, but the thread is the same: protecting the public good.

First, let's look back at what can happen when those protections and returns take a hit, as they did in 2022, when the state recorded a -10% return. Especially for LGERS, who by statute can only receive a COLA if the state's investment

returns average 6.5% over a 3-year period, that single year dragged the rolling average down and stalled progress for years. Over the past 15 years, consistently underperforming returns have haunted both TSERS and LGERS retirees, rendering true COLA's practically non-existent and forcing too many retirees to make heartbreaking financial choices. Heartbreaking choices for people that dedicated their lives to state and local government. The 2022 dismal investment return was not a story that dominated headlines, you never saw it on TV, yet it silently but massively effected hundreds of thousands of North Carolina retirees.

In contrast with the last 15 years, when North Carolina's investment returns lagged the average returns of most public pension systems, recent changes in governance and asset allocation, implemented in Treasurer Brad Briner's first year of leadership, are setting a course to make a big difference, as demonstrated by the pension funds 13% return rate in 2025. This is well above average and puts NC near the top of the list on returns for the year. This number doesn't just look good on paper; it could finally open the door to real relief for BOTH state and local retirees. For many of our members, those cost-of-living adjustments are the difference between just barely scraping by on a fixed income and being able to live with a little breathing room.

Although it is still early in his tenure, we can only be encouraged that the Treasurer continues the momentum he created in 2025. The office of the state Treasurer is not a flashy one, it does not dominate headlines or spend millions on TV ads during campaign season. For many voters, it is just a down ballot election where a significant number of voters vote more for party without doing a significant amount of research on the candidate. But for state and local retirees, the Treasurer is the protector of their pensions, their decisions as investors are monumental to producing COLA's, and have just as much if not more impact on their daily lives as any other elected position in the state.

## **February 6, 2026**

### **Special TSERS/LGERS Board of Trustees Edition**

RGEA Executive Director Tim O'Connell was present representing both state and local retirees when the TSERS and LGERS board met last Friday and voted to modify policies intended to make it easier to give retirees a cost-of-living adjustment in their monthly benefit payments, effective in the fiscal year beginning in 2027. The State Treasurer Brad Briner also released that the investment returns finished the 2025 calendar year with a stellar 13% return! Considering that LGERS (and TSERS to a similar extent) need a 6.5% investment return average over a three-year period for the board to legally recommend a COLA, this is a fantastic change from years like 2022 when the State ended that calendar year with an approximate -10% in investment returns.

The board also decided to direct staff to develop a policy proposal that would allow the trustees to decide on a year-to-year basis whether to recommend that lawmakers approve a COLA. Investment gains would have to be sufficient to support the increases. The current policy, by contrast, mandates that all investment gains be allocated to reduce the pension plan's unfunded liability.

In a separate vote, the board of trustees approved authorizing the LGERS system to use investment gains, when they are sufficient, to provide COLAs or supplemental increases to retirees, without requiring a simultaneous increase in the employer contribution rate. Unlike the state pension plan, the local plan does not require General Assembly approval of all benefit increases.

We will continue to keep everyone updated to any and all state and local retiree news as it unfolds.