

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 464

Short Title: Child Support/Retirement.

(Public)

Sponsors: Senators Marvin, Allran; and Tally.

Referred to: Pensions and Retirement.

March 16, 1989

A BILL TO BE ENTITLED

AN ACT TO SUBJECT STATE-ADMINISTERED RETIREMENT SYSTEMS TO
INCOME WITHHOLDING FOR CHILD SUPPORT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 135-9 reads as rewritten:

"§ 135-9. Exemption from taxes, garnishment, attachment, etc.

Except for the applications of the provisions of G.S. 110-136, and G.S. 110-136.3 et seq., and in connection with a court-ordered equitable distribution under G.S. 50-20, the right of a person to a pension, or annuity, or a retirement allowance, to the return of contributions, the pension, annuity or retirement allowance itself, any optional benefit or any other right accrued or accruing to any person under the provisions of this Chapter, and the moneys in the various funds created by this Chapter, are hereby exempt from any State or municipal tax, and exempt from levy and sale, garnishment, attachment, or any other process whatsoever, and shall be unassignable except as in this Chapter specifically otherwise provided. Notwithstanding any provisions to the contrary, any overpayment of benefits to a member in a state-administered retirement system or the former Disability Salary Continuation Plan or the Disability Income Plan of North Carolina may be offset against any retirement allowance, return of contributions or any other right accruing under this Chapter to the same person, the person's estate, or designated beneficiary."

Sec. 2. G.S. 135-95 reads as rewritten:

"§ 135-95. Exemption from taxes, garnishment, attachment.

Except for the applications of the provisions of G.S. 110-136, and G.S. 110-136.3 et seq., and in connection with a court-ordered equitable distribution under G.S. 50-20, the

1 right of a member in the Supplemental Retirement Income Plan to the benefits provided
2 under this Article is nonforfeitable and exempt from levy, sale, garnishment, and the
3 benefits payable under this Article are hereby exempt from any State and local
4 government taxes."

5 Sec. 3. G.S. 128-31 reads as rewritten:

6 **"§ 128-31. Exemptions from execution.**

7 Except for the applications of the provisions of G.S. 110-136, and G.S. 110-136.3 et
8 seq., and in connection with a court-ordered equitable distribution under G.S. 50-20, the
9 right of a person to a pension, an annuity, or a retirement allowance, to the return of
10 contributions, the pension, annuity or retirement allowance itself, any optional benefit or
11 any other right accrued or accruing to any person under the provisions of this Article,
12 and the moneys in the various funds created by this Article, are hereby exempt from any
13 state or municipal tax, and exempt from levy and sale, garnishment, attachment, or any
14 other process whatsoever, and shall be unassignable except as in this Article specifically
15 otherwise provided. Notwithstanding any provisions to the contrary, any overpayment
16 of benefits to a member in a State-administered retirement system or Disability Salary
17 Continuation Plan may be offset against any retirement allowance, return of
18 contributions or any other right accruing under this Chapter to the same person, the
19 person's estate, or designated beneficiary."

20 Sec. 4 This act shall become effective October 1, 1989, and applies to orders
21 issued on or after that date.