

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 1066\*

Short Title: Officials Forfeit Pensions for Felonies. (Public)

Sponsors: Representatives Ross, Howard, Braxton, Tarleton (Primary Sponsors);  
Coates, Folwell, Glazier, Harrison, Hilton, Luebke, Moore, Pate, Spear,  
Starnes, and Weiss.

Referred to: Judiciary I, if favorable, Pensions and Retirement.

March 27, 2007

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT ELECTED OFFICIALS WHO ARE MEMBERS OF  
2 THE LEGISLATIVE RETIREMENT SYSTEM, THE LOCAL GOVERNMENTAL  
3 EMPLOYEES' RETIREMENT SYSTEM, THE TEACHERS' AND STATE  
4 EMPLOYEES' RETIREMENT SYSTEM, OR THE CONSOLIDATED JUDICIAL  
5 RETIREMENT SYSTEM SHALL FORFEIT THEIR PENSIONS UPON  
6 CONVICTION OF A STATE OR FEDERAL OFFENSE INVOLVING PUBLIC  
7 CORRUPTION OR A FELONY VIOLATION OF ELECTION LAWS.  
8

9 The General Assembly of North Carolina enacts:

10 **SECTION 1.(a)** Article 1A of Chapter 120 of the General Statutes is  
11 amended by adding a new section to read:

12 **"§ 120-4.33. Forfeiture of retirement benefits for certain felonies.**

13 The Board of Trustees, after consultation with the Legislative Services Commission  
14 and the Attorney General, shall not pay any retirement benefits or allowances, except  
15 for a return of contributions plus interest, to any member who is convicted of a state or  
16 federal offense involving public corruption or a felony violation of election laws for acts  
17 committed while serving as a member of the General Assembly."

18 **SECTION 1.(b)** G.S. 120-4.12 is amended by adding a new subsection to  
19 read:

20 "(f) If a member who has not vested in this System on the date that G.S. 120-4.33  
21 becomes law is convicted of an offense covered by that section, then that member shall  
22 forfeit all benefits under this System. If a member who has vested in this System on the  
23 date that G.S. 120-4.33 becomes law is convicted of an offense covered by that section  
24 for acts committed after that date, then that member is not entitled to any creditable  
25 service that accrued after the date that G.S. 120-4.33 becomes law."

26 **SECTION 2.(a)** Article 3 of Chapter 128 of the General Statutes is amended  
27 by adding a new section to read:

1 **"§ 128-38.4. Forfeiture of retirement benefits for certain felonies.**

2 The Board of Trustees, after consultation with the Attorney General, shall not pay  
3 any retirement benefits or allowances, except for a return of contributions plus interest,  
4 to any member who is an elected government official and is convicted of a state or  
5 federal offense involving public corruption or a felony violation of election laws for acts  
6 committed while holding that elective office."

7 **SECTION 2.(b)** G.S. 128-26 is amended by adding a new subsection to  
8 read:

9 "(w) If a member who is an elected government official and has not vested in this  
10 System on the date that G.S. 128-38.4 becomes law is convicted of an offense covered  
11 by that section, then that member shall forfeit all benefits under this System. If a  
12 member who is an elected government official and has vested in this System on the date  
13 that G.S. 128-38.4 becomes law is convicted of an offense covered by that section for  
14 acts committed after that date, then that member is not entitled to any creditable service  
15 that accrued after the date that G.S. 128-38.4 becomes law."

16 **SECTION 3.(a)** Article 1 of Chapter 135 of the General Statutes is amended  
17 by adding a new section to read:

18 **"§ 135-18.10. Forfeiture of retirement benefits for certain felonies.**

19 The Board of Trustees, after consultation with the Attorney General, shall not pay  
20 any retirement benefits or allowances, except for a return of contributions plus interest,  
21 to any member who is an elected government official and is convicted of a state or  
22 federal offense involving public corruption or a felony violation of election laws  
23 committed while holding that elective office."

24 **SECTION 3.(b)** G.S. 135-4 is amended by adding a new subsection to read:

25 "(gg) If a member who is an elected government official and has not vested in this  
26 System on the date that G.S. 135-18.10 becomes law is convicted of an offense covered  
27 by that section, then that member shall forfeit all benefits under this System. If a  
28 member who is an elected government official and has vested in this System on the date  
29 that G.S. 135-18.10 becomes law is convicted of an offense covered by that section for  
30 acts committed after that date, then that member is not entitled to any creditable service  
31 that accrued after the date that G.S. 135-18.10 becomes law."

32 **SECTION 4.(a)** Article 4 of Chapter 135 of the General Statutes is amended  
33 by adding a new section to read:

34 **"§ 135-75.1. Forfeiture of retirement benefits for certain felonies.**

35 The Board of Trustees, after consultation with the Judicial Standards Commission  
36 and the Attorney General, shall not pay any retirement benefits or allowances, except  
37 for a return of contributions plus interest, to any member who is convicted of a state or  
38 federal offense involving public corruption or a felony violation of election laws  
39 committed while serving as a justice, a judge, a district attorney, or a clerk of superior  
40 court."

41 **SECTION 4.(b)** G.S. 135-56 is amended by adding a new subsection to  
42 read:

43 "(g) If a member who has not vested in this System on the date that G.S. 135-75.1  
44 becomes law is convicted of an offense covered by that section, then that member shall

1 forfeit all benefits under this System. If a member who has vested in this System on the  
2 date that G.S. 135-75.1 becomes law is convicted of an offense covered by that section  
3 for acts committed after that date, then that member is not entitled to any creditable  
4 service that accrued after the date that G.S.135-75.1 becomes law."

5           **SECTION 5.** This act is effective when it becomes law and applies to  
6 members who are convicted of offenses on or after that date.