

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 659

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

Sponsors: Senators Rand; Bingham, Clodfelter, Dannelly, Dorsett, Garrou, Goss, Hoyle, Jones, Malone, Purcell, Snow, and Swindell.

Referred to: Judiciary 1 (Civil).

March 12, 2007

A BILL TO BE ENTITLED

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

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:

28 **"§ 128-38.4. Forfeiture of retirement benefits for certain felonies.**

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

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

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

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

17 **"§ 135-18.10. Forfeiture of retirement benefits for certain felonies.**

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

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

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

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

33 **"§ 135-75.1. Forfeiture of retirement benefits for certain felonies.**

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

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

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

1 date that G.S. 135-75.1 becomes law is convicted of an offense covered by that section
2 for acts committed after that date, then that member is not entitled to any creditable
3 service that accrued after the date that G.S.135-75.1 becomes law."

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