

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 160  
PROPOSED COMMITTEE SUBSTITUTE H160-PCS10305-SH-16

Short Title: Forfeiture of Retirement Benefits/Judges.

(Public)

Sponsors:

Referred to:

February 22, 2017

1 A BILL TO BE ENTITLED  
2 AN ACT PROHIBITING THE RECEIPT OF BENEFITS FROM THE CONSOLIDATED  
3 JUDICIAL RETIREMENT SYSTEM FOR JUDGES WHO HAVE BEEN IMPEACHED  
4 AND CONVICTED OR REMOVED FROM OFFICE.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Article 4 of Chapter 135 of the General Statutes is amended by  
7 adding a new section to read:

8 "**§ 135-75.1B. Forfeiture of retirement benefits for conviction on impeachment or**  
9 **removal from office.**

10 (a) Except as provided in G.S. 135-56(k), the Board of Trustees shall not pay any  
11 retirement benefits or allowances, except for a return of member contributions plus interest, to  
12 any justice or judge of the General Court of Justice for whom the following apply:

13 (1) The justice or judge of the General Court of Justice is convicted on  
14 impeachment under Article IV of the North Carolina Constitution and  
15 Chapter 123 of the General Statutes for reasons other than physical and  
16 mental incapacity.

17 (2) The justice or judge of the General Court of Justice is removed from office  
18 under G.S. 7A-376(b).

19 (b) If a justice or judge of the General Court of Justice or former justice or judge of the  
20 General Court of Justice whose benefits under the System were forfeited under this section,  
21 except for the return of member contributions plus interest, subsequently has the conviction on  
22 impeachment or removal from office vacated or set aside for any reason, then the member or  
23 former member may seek a reversal of the benefit forfeiture by presenting sufficient evidence  
24 to the State Treasurer. If the State Treasurer determines a reversal of the benefit forfeiture is  
25 appropriate, then all benefits will be restored upon repayment of all accumulated contributions  
26 plus interest. Repayment of all accumulated contributions that have been received by the  
27 individual under the forfeiture provisions of this section must be made in a total lump-sum  
28 payment with interest compounded annually at a rate of six and one-half percent (6.5%) for  
29 each calendar year from the year of forfeiture to the year of repayment. An individual receiving  
30 a reversal of benefit forfeiture must receive reinstatement of the service credit forfeited."

31 SECTION 2. G.S. 135-56 is amended by adding a new subsection to read:

32 "(k) If a justice or judge of the General Court of Justice who is in service and has not  
33 vested in this System on December 1, 2017, is convicted on impeachment or removed from  
34 office for acts committed after December 1, 2017, then that member shall forfeit all benefits  
35 under this System, except for a return of member contributions plus interest. If a member who  
36 is in service and has vested in this System on December 1, 2017, is convicted on impeachment



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1 or removed from office for acts committed after December 1, 2017, then that member is not  
2 entitled to any creditable service that accrued after December 1, 2017."

3 **SECTION 3.** G.S. 7A-376(b) reads as rewritten:

4 "(b) Upon recommendation of the Commission, the Supreme Court may issue a public  
5 reprimand, censure, suspend, or remove any judge for willful misconduct in office, willful and  
6 persistent failure to perform the judge's duties, habitual intemperance, conviction of a crime  
7 involving moral turpitude, or conduct prejudicial to the administration of justice that brings the  
8 judicial office into disrepute. A judge who is suspended for any of the foregoing reasons shall  
9 receive no compensation during the period of that suspension. A judge who is removed for any  
10 of the foregoing reasons shall receive no retirement ~~compensation~~ compensation, except for a  
11 return of member contributions plus interest as provided in G.S. 135-56(k), and is disqualified  
12 from holding further judicial office."

13 **SECTION 4.** The General Assembly and the Supreme Court shall notify the State  
14 Treasurer and the Board of Trustees of the conviction on impeachment or removal from office  
15 of a justice or judge of the General Court of Justice.

16 **SECTION 5.** This act becomes effective December 1, 2017, and applies to  
17 offenses committed on or after that date.