

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH50067-RC-2 (02/14)

Short Title: No State Retirement for Convicted Felons. (Public)

Sponsors: Representatives Howard, Ross, T. Moore, and H. Warren (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROHIBIT A PERSON WHO HAS BEEN CONVICTED OF A FELONY
3 FROM RECEIVING RETIREMENT FROM THE TEACHERS' AND STATE
4 EMPLOYEES' RETIREMENT SYSTEM.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Article 1 of Chapter 135 is amended by adding a new section to read:
7 **"§ 135-18.11. Forfeiture of retirement benefits for certain employment-related felonies.**

8 (a) Except as provided in G.S. 135-4(ii), the Board of Trustees shall not pay any
9 retirement benefits or allowances, except for a return of member contributions plus interest, to
10 any member who is convicted of any felony listed in subsection (b) of this section if all of the
11 following apply:

12 (1) The offense is committed while the member is an employee or a teacher.

13 (2) The conduct on which the offense is based is directly related to the member's
14 service as an employee or a teacher.

15 (b) The offenses covered by this section are as follows:

16 (1) Articles of Chapter 14 of the General Statutes: Article 5A, Endangering
17 Executive and Legislative Officers; Article 6, Homicide; Article 7A, Rape
18 and Kindred Offenses; Article 8, Assaults; Article 10, Kidnapping and
19 Abduction; Article 13, Malicious Injury or Damage by Use of Explosive or
20 Incendiary Device or Material; Article 14, Burglary and Other
21 Housebreakings; Article 15, Arson and Other Burnings; Article 16, Larceny;
22 Article 17, Robbery; Article 18, Embezzlement; Article 19, False Pretense
23 and Cheats; Article 19A, Obtaining Property or Services by False or
24 Fraudulent Use of Credit Device or Other Means; Article 20, Frauds; Article
25 21, Forgery; Article 26, Offenses Against Public Morality and Decency;
26 Article 26A, Adult Establishments; Article 27, Prostitution; Article 28,
27 Perjury; Article 29, Bribery; Article 31, Misconduct in Public Office; Article
28 35, Offenses Against the Public Peace; Article 36A, Riots and Civil
29 Disorders; Article 39, Protection of Minors; and Article 60,
30 Computer-Related Crime.

31 (2) Possession or sale of drugs in violation of the North Carolina Controlled
32 Substances Act, Article 5 of Chapter 90 of the General Statutes, and
33 alcohol-related offenses such as sale to underage persons in violation of
34 G.S. 18B-302 or driving while impaired in violation of G.S. 20-138.1
35 through G.S. 20-138.5.



1 (3) Similar crimes under federal law.

2 (c) All monies forfeited under this section shall be remitted to the Civil Penalty and
3 Forfeiture Fund."

4 **SECTION 2.** G.S. 135-4 is amended by adding a new subsection to read:

5 "(ii) If a member who is an employee or a teacher and has not vested in this System on
6 July 1, 2011, is convicted of an offense listed in G.S. 135-18.11 for acts committed after July 1,
7 2011, then that member shall forfeit all benefits under this System, except for a return of
8 member contributions plus interest. If a member who is an employee or a teacher and has
9 vested in this System on July 1, 2011, is convicted of an offense listed in G.S. 135-18.11 for
10 acts committed after July 1, 2011, then that member is not entitled to any creditable service that
11 accrued after July 1, 2011."

12 **SECTION 3.** This act becomes effective July 1, 2011.