

# HARTMAN & ASSOCIATES, LLC

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ACTUARIAL CONSULTING

MARK V. HARTMAN, FSA, MAAA, FCA, EA

hartman@triad.rr.com

Phone: (336) 731-4038

668 Link Road  
Lexington, NC 27295

February 28, 2017

Mr. David Vanderweide  
Fiscal Research Division  
North Carolina General Assembly  
300 N. Salisbury Street  
Raleigh, NC 27603-5925

Re: House Bill 160/Senate Bill 117: An Act Prohibiting Receipt of Benefits From the CJRS for Judges Who Have Been Impeached or Removed From Office

Dear Mr. Vanderweide:

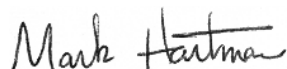
This bill amends Chapter 135 of the General Statutes by adding a new section G.S. 135-75.1B to prohibit payment of benefits to judges under the Consolidated Judicial Retirement System (CJRS) in certain circumstances. Retirement benefits other than return of member contributions would be forfeited for a judge who is impeached for reasons other than physical or mental incapacity or is removed from office by the Supreme Court under G.S. 7A-376(b).

This act is effective when it becomes law.

We do not have any method to estimate the number of members whose benefits may be impacted by this bill or the amount of benefits that would be forfeited beyond current statutory provisions. However, I do not expect this bill to impact the current funding of the CJRS. Any benefits forfeited in the future would reduce accrued liabilities at that time, with a reduction in future accrued liability contributions.

I am an independent consulting actuary and a member of the American Academy of Actuaries. I meet the qualification standards for rendering the actuarial opinions contained in this report. This report was completed based on generally accepted actuarial principles and practices and is intended to meet the requirements of North Carolina G.S. 120-114. It is issued to assist the Fiscal Research Division in completing the required actuarial notes and is not intended for any other party or for any other purpose. I am available to answer any questions related to this report.

Sincerely,



Mark V. Hartman, FSA, MAAA, FCA, EA  
Consulting Actuary

MVH/mt