



# State of North Carolina

## Office of the State Controller

Michael F. Easley, Governor

Robert L. Powell, State Controller

March 10, 2004

MEMORANDUM NO. PR2004-004

TO: All Agencies Served by the State Controller's Office  
Payroll Section

FROM: Roger Farmer  
Payroll Administrator

SUBJECT: Overpayments of State Funds

In the 2003 session, The General Assembly of North Carolina enacted Article 3(H) under Chapter 143 of the General Statutes. This act requires the return of overpayments of State Funds by persons in state-supported positions. A copy of this article has been provided below.

The overpayment(s) should be processed as garnishments, which will be returned back to your agency at month-end. Use deduction code "910 - Employee Restitution" for these deductions.

Article 3H.

Overpayments of State Funds.

**§ 143-64.80. Overpayments of State funds to persons in State-supported positions; recoupment required.**

(a) An overpayment of State funds to any person in a State-funded position, whether in the form of salary or otherwise, shall be recouped by the entity that made the overpayment and, to the extent allowed by law, the amount of the overpayment may be offset against the net wages of the person receiving the overpayment.

(b) No State department, agency, or institution, or other State-funded entity may forgive repayment of an overpayment of State funds, but shall have a duty to pursue the repayment of State funds by all lawful means available, including the filing of a civil action in the General Court of Justice. (2003-263, s.1.)

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