

(1) Establish interest at a rate that does not exceed the annual rate described in division (C)(1) of this section;

(2) Establish penalties in amounts that do not exceed the amounts described in division (C)(2) of this section;

(3) Permit the board to lengthen the periods of time or enter into repayment agreements for employers to comply with divisions (B) and (C) of this section.

Sec. 145.54. The public employees retirement board shall estimate annually the amount required to defray the expenses of the administration of the public employees retirement system in the ensuing year. If in the judgment of the board, as evidenced by a resolution of that board in its minutes, the amount in the income fund exceeds the amount necessary to cover the ordinary requirements of that fund, the board may transfer to the expense fund such excess amount not exceeding the entire amount required to cover the expenses as estimated for the year. ~~The~~ If the amount in the expense fund, including any amount transferred from the income fund, is not sufficient to defray the expenses of administration of the system in the ensuing year, the board may then apportion transfer any remaining amount required for the expense fund for the year then current among contributors. The amount so apportioned in any year shall not exceed three dollars per contributor to that fund from the employer's accumulation fund.

Sec. 145.56. The right of an individual to a pension, an annuity, or a retirement allowance itself, the right of an individual to any optional benefit, any other right accrued or accruing to any individual, under this chapter, or under any municipal retirement system established subject to this chapter under the laws of this state or any charter, the various funds created by this chapter, or under such municipal retirement system, and all moneys, investments, and income from moneys or investments are exempt from any state tax, except the tax imposed by section 5747.02 of the Revised Code, and are exempt from any county, municipal, or other local tax, except income taxes imposed pursuant to section 5748.02, 5748.08, or 5748.09 of the Revised Code, and, except as provided in sections 145.57, 145.572, 145.573, 145.574, 3105.171, 3105.65, and 3115.32 and Chapters 3119., 3121., 3123., and 3125. of the Revised Code, shall not be subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, and shall be unassignable except as specifically provided in this chapter and sections 3105.171, 3105.65, and 3115.32 and Chapters 3119., 3121., 3123., and 3125. of the Revised Code.

Sec. 145.561. (A) Except as provided in division (B) of this section and

section 145.363, 145.573, or 145.574 of the Revised Code, the granting of a retirement allowance, annuity, pension, or other benefit to any person pursuant to action of the public employees retirement board vests a right in such person, so long as the person remains the recipient of any benefit of the funds established by section 145.23 of the Revised Code, to receive such retirement allowance, annuity, pension, or other benefit at the rate fixed at the time of granting such retirement allowance, annuity, pension, or other benefit. Such right shall also be vested with equal effect in the recipient of a grant heretofore made from any of the funds named in section 145.23 of the Revised Code.

(B) This section does not apply to an increase made under section 145.323 of the Revised Code for a recipient whose benefit effective date is on or after the effective date of this amendment.

Sec. 145.563. ~~If the~~ Notwithstanding section 145.561 of the Revised Code:

(A) The public employees retirement system may adjust an allowance or benefit payable under this chapter if an error occurred in calculation of the allowance or benefit:

(B) If any person who is a member, former member, contributor, former contributor, retirant, beneficiary, or alternate payee, as defined in section 3105.80 of the Revised Code, is paid any benefit or payment by the public employees retirement system, including any payment made to a third party on the person's behalf, to which the person is not entitled, the benefit or payment shall be repaid to the retirement system by the person or third party. If the person or third party fails to make the repayment, the retirement system shall withhold the amount or a portion of the amount due from any benefit or payment due the person or the person's beneficiary under this chapter, or may collect the amount in any other manner provided by law.

Sec. 145.574. Notwithstanding any other provision of this chapter, any right of a member of the public employees retirement system to a disability benefit is subject to a forfeiture order issued under section 2929.194 of the Revised Code.

If the retirement system receives notice under section 2901.431 of the Revised Code that felony charges have been filed against a member, the retirement system shall not grant the member a disability benefit unless it determines that the member's disability was not caused by commission of the felony. If the member has disability coverage under this chapter or was granted a disability benefit after the date on which the felony was committed, the retirement system shall notify the prosecutor who sent the notice under section 2901.431 of the Revised Code that the member may be