

**TITLE 1: GOVERNMENT**  
**DIVISION 8: PUBLIC EMPLOYMENT**

**§ 8390. Overpayment or Underpayment of Benefits.**

(a) Whenever the administrator finds that more or less than the correct amount of benefits have been paid with respect to any individual, proper adjustment or recovery shall be made by appropriate adjustments to future payments to the member or any survivors, or from the estate of any recipient of benefits.

(b) Unless fraud, misrepresentations or concealment of material information was involved in connection with an overpayment, an amount of no more than 50 percent of any benefit to be paid in any benefit period may be withheld and offset against previous overpayments.

In his discretion, the administrator may authorize a lesser percent of annuity to be withheld, taking into consideration the financial condition of the annuitant, provided that such overpayment can be recovered within two years.

(c) In the case of fraud, misrepresentation or concealment of material information by a member or annuitant, all annuities and other benefits shall be withheld completely until the amount of overpayment is offset in full. This subsection shall not affect any other civil or criminal liability provided by law for such fraud, misrepresentation or concealment.

(d) In the event of underpayment by the fund to an annuitant, the amount of such underpayments plus regular interest shall be paid to the annuitant or beneficiary as soon as discovered.

**Source:** PL 6-17, ch. 8, § 8389, modified.

**Commission Comment:** To enhance clarity, in subsection (c) after “offset in full.” the Commission substituted “This subsection” for “The section.”