

(A) IN THIS SECTION, "AGENCY" MEANS THE MARYLAND STATE RETIREMENT AGENCY.

~~(A) (1) (B) THE DEPARTMENT MARYLAND STATE RETIREMENT AGENCY~~ MAY AT ANY TIME EXAMINE THE RECORDS OF LOCAL SCHOOL SYSTEMS TO DETERMINE WHETHER THE STATE'S PAYMENTS FOR SOCIAL SECURITY TAXES AND RETIREMENT CONTRIBUTIONS FOR EMPLOYEES OF THE SCHOOL SYSTEMS ARE IN ACCORDANCE WITH THE PROVISIONS OF ARTICLE 73B OF THE CODE AND THIS ARTICLE.

~~(2) THE DEPARTMENT SHALL PAY FOR THE EXAMINATION FROM THE APPROPRIATION TO THE DEPARTMENT IN THE STATE BUDGET.~~

~~(B) (C) (1) (1)~~ IF AN EXAMINATION OF THE RECORDS OF A LOCAL SCHOOL SYSTEM SHOWS THAT THE STATE HAS PAID MORE THAN IS REQUIRED UNDER THIS ARTICLE AND ARTICLE 73B OF THE CODE, WITHIN 30 DAYS AFTER THE DATE OF THE NOTICE TO THE SCHOOL SYSTEM OF THE STATE OVERPAYMENT, THE SCHOOL SYSTEM MAY APPEAL THE NOTICE OF STATE OVERPAYMENT TO THE SECRETARY OF BUDGET AND FISCAL PLANNING WHO SHALL APPOINT A HEARING EXAMINER.

(II) THE HEARING EXAMINER SHALL MAKE RECOMMENDATIONS TO THE SECRETARY OF BUDGET AND FISCAL PLANNING WHO SHALL MAKE A FINAL DETERMINATION REGARDING THE AMOUNT, IF ANY, OF THE STATE OVERPAYMENT.

(2) IF A LOCAL SCHOOL SYSTEM DOES NOT APPEAL TO THE SECRETARY OF BUDGET AND FISCAL PLANNING OR IF THE SECRETARY OF BUDGET AND FISCAL PLANNING DETERMINES THAT THE STATE IS DUE REIMBURSEMENT FOR EXCESS PAYMENTS AS PROVIDED IN PARAGRAPH (1) OF THIS SUBSECTION, AT THE REQUEST OF THE DEPARTMENT OF EDUCATION THE MONEYS OWED SHALL BE DEDUCTED FROM ANY OTHER STATE FUNDS THAT WOULD OTHERWISE BE PAID TO THE SCHOOL SYSTEM.

(3) FOR PURPOSES OF THE ADMINISTRATIVE PROCEDURE ACT, AN APPEAL TAKEN UNDER THIS SECTION IS NOT A CONTESTED CASE.

(D) ANY REIMBURSEMENTS WHICH RESULT FROM AUDITS UNDER THIS SECTION:

(1) SHALL BE APPLIED FIRST TO REIMBURSE THE AGENCY FOR THE EXPENSES OF THE AUDITS; AND

(2) AFTER REIMBURSEMENT TO THE AGENCY UNDER ITEM (1) OF THIS SUBSECTION, SHALL BE CREDITED TO THE GENERAL FUND.