- (b) The Agency may at any time examine the records of public libraries to determine whether the State's payments for retirement contributions for employees of the public libraries are in accordance with the provisions of Division II of the State Personnel and Pensions Article.
- (e) (1) (i) If an examination of the records of a public library shows that the State has paid more than is required under Division II of the State Personnel and Pensions Article, within 30 days after the date of the notice to the library of the State overpayment, the public library may appeal the notice of State overpayment to the Secretary of Budget and Management who shall appoint a hearing examiner.
- (ii) The hearing examiner shall-make recommendations to the Sceretary of Budget and Management who shall make a final determination regarding the amount, if any, of the State overpayment.
- (2) If a public library does not appeal to the Secretary of Budget and Management or if the Secretary of Budget and Management 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 public library.
- (3) For purposes of the Administrative Precedure 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.
- (E) THE ACENCY MAY NOT SEEK REIMBURSEMENT FOR RETIREMENT CONTRIBUTIONS MADE AFTER JUNE 30, 2000, ON THE BASIS THAT THE SALARY OF AN ELICIBLE MEMBER OF THE TEACHERS' RETIREMENT SYSTEM OR TEACHERS' PENSION SYSTEM IS PAID IN PART OR IN WHOLE FROM:
 - (1) STATE AID, WHETHER GENERAL OR CATEGORICAL IN NATURE; OR
- (2) <u>FEDERAL FUNDS, WHETHER PAID DIRECTLY TO A PUBLIC LIBRARY</u> OR PASSED THROUGH A UNIT OF STATE GOVERNMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:

Article - Education

7-208.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.