

(d) (1) Each political subdivision as to which a plan has been approved under this section shall pay into the Contribution Fund, established by [§ 40] § 35 OF THIS SUBTITLE, with respect to wages (as defined in [§ 36 of this article] § 31 OF THIS SUBTITLE), at such time or times as the State Agency may by regulation prescribe, contributions in the amounts and at the rates specified in the applicable agreement entered into by the State Agency under [§ 37] § 32 OF THIS SUBTITLE.

(2) Each political subdivision required to make payments under paragraph (1) of this subsection is authorized, in consideration of the employee's retention in, or entry upon, employment after an enactment of this subtitle, to impose upon each of its employees as to services which are covered by an approved plan, a contribution with respect to his wages (as defined in [§ 36 of this article] § 31 OF THIS SUBTITLE), not exceeding the amount of the employee tax which would be imposed by the Federal Insurance Contributions Act if such services constituted employment within the meaning of that act, and to deduct the amount of such contribution from his wages as and when paid. Contributions so collected shall be paid into the Contribution Fund in partial discharge of the liability of such political subdivision or instrumentality under paragraph (1) of this subsection. Failure to deduct such contributions will not relieve the employee or political subdivision of liability therefor.

(3) Each political subdivision as to which a plan has been approved under this section shall pay into the Expense Fund, established by [§ 40] § 35 OF THIS SUBTITLE, its pro rata share of the expenses of the State Agency incurred in the administration of this subtitle as said pro rata share shall be certified to each political subdivision by the State Agency.

(e) (1) Delinquent payments due under paragraphs (1) and (3) of subsection (d) may, with interest at the rate of six per centum per annum be recovered by action in a court of competent jurisdiction against the political subdivision liable therefor, or may at the request of the State Agency, be deducted from any other moneys payable to such subdivision by any department or agency of the State.

(2) (i) If an audit of the records of a school system, public library, or educational institution reveals that the system, library, or institution owes money to the Contribution Fund, any delinquent payment may not be collected until:

1. The school system, public library, or educational institution has an opportunity to appeal the decision to a hearing examiner who shall be appointed by the Secretary of the Department of Budget and Fiscal Planning; and

2. The hearing examiner finds that the funds are owed to the Contribution Fund.

(ii) If the hearing examiner determines that moneys are owed to the Contribution Fund, the moneys shall be deducted from any State funds that would otherwise be paid to the school system, public library, or educational institution.

(iii) An appeal taken pursuant to this paragraph is not a contested case, for the purposes of the Administrative Procedure Act.