

(f) (1) Notwithstanding any other provision of law to the contrary, where the State Agency has entered into an agreement with the Secretary of Health, Education and Welfare pursuant to [§ 37] § 32 of this subtitle and has entered into a plan with those political subdivisions of the State which agree to provide the benefits of the old age and survivors' insurance system of the federal Social Security Act for the employees of the subdivisions, the State Agency is authorized to amend the agreement pursuant to [§ 37] § 32 OF THIS SUBTITLE to provide for reimbursement to the State Agency of the amounts of any excess contribution of the tax payable by the subdivision which have been transmitted by the State Agency for any employees of these subdivisions.

(2) In the case of those subdivisions receiving financial aid from the State, each subdivision shall utilize all grants-in-aid and other revenues received from the State to pay the employer's share of the tax required under § 218 of the Social Security Act in addition to other purposes for which those funds may be used. However those subdivisions shall not be required to make an accounting for the State financial aid utilized which is separate from the payments for the employer's share of tax made to the State Agency.

35.

(a) There is hereby established a special fund to be known as the Contribution Fund. Such Fund shall consist of and there shall be deposited in such Fund:

(1) All contributions, interest, and penalties collected under [§ 39] § 34 OF THIS SUBTITLE, but not expense funds collected under subsection (d) (3) thereof; and

(2) Interest earned on investments; and

(3) All sums recovered upon the bond of a custodian or otherwise for losses sustained by the Fund and all moneys received for the Fund from any other sources. The interest earned on investments shall be used to defray the operating expenses of the State Agency. Subject to the provisions of this subtitle, the State Agency is vested with full power, authority and jurisdiction over the Fund and may perform any and all acts whether or not specifically designated, which are necessary to the administration thereof and are consistent with the provisions of this subtitle.

(b) The Contribution Fund shall be established and held separate and apart from any other funds or moneys of the State and shall be used and administered exclusively for the purposes of this subtitle. Withdrawals from such funds shall be made for and solely for:

(1) Payment of amounts required to be paid to the Secretary of the Treasury pursuant to an agreement entered into under [§ 37] § 32 OF THIS SUBTITLE; and

(2) Refunds of over-payments not otherwise adjustable made by a political subdivision or instrumentality; and

(3) Investing in short-term government securities, short-term securities of U.S. government agencies, and short-term notes of corporations with at least a Double A Moody's or Standard and Poors credit rating; and