

school systems; ~~providing that an appeal from an audit determination is a contested case in the Office of Administrative Hearings; clarifying that the appeals are subject to judicial review; altering the conditions under which certain deductions may be made from State funds that would otherwise be paid to a school system; providing that a certain decision issued by the Office of Administrative Hearings is the final finding of fact and conclusion of law and binding on all parties and is not subject to judicial review;~~ providing for the application of this Act; providing for the repeal of laws inconsistent with this Act; and generally relating to audit determinations of retirement contributions for employees of local school systems.

BY repealing and reenacting, with amendments,

Article - Education

Section 5-203(c)

Annotated Code of Maryland

(1997 Replacement Volume and 1997 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article - Education**

5-203.

(c) (1) (i) If an examination of the records of a local school system 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 school system of the State overpayment, the school system may appeal the notice of State overpayment to the Secretary of Budget and Management who shall ~~appoint a hearing examiner~~ REFER THE APPEAL TO THE OFFICE OF ADMINISTRATIVE HEARINGS FOR ASSIGNMENT TO AN ADMINISTRATIVE LAW JUDGE WHO IS AN ATTORNEY.

~~(ii) AN APPEAL UNDER THIS SUBSECTION IS A CONTESTED CASE UNDER TITLE 10, SUBTITLE 2 OF THE STATE GOVERNMENT ARTICLE AND SUBJECT TO JUDICIAL REVIEW AS SET FORTH IN § 10-222 OF THE STATE GOVERNMENT ARTICLE.~~

~~[(ii)-(iii)]~~ The ~~hearing examiner~~ ADMINISTRATIVE LAW JUDGE shall make recommendations, ~~INCLUDING PROPOSED FINDINGS OF FACT AND CONCLUSIONS OF LAW,~~ to the Secretary of Budget and Management who shall make a ~~final~~ determination regarding the amount, if any, of the State overpayment.

(iii) SHOULD A LOCAL SCHOOL SYSTEM REQUEST A TRANSCRIPT OF AN AUDIT APPEALS HEARING, THE LOCAL SCHOOL SYSTEM SHALL PROVIDE AND PAY FOR THE PRODUCTION OF THE TRANSCRIPT.

(2) ~~If a local school system 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~~