

SENATE BILL 413

D1, C8
SB 125/08 – JPR & EHE

2lr2284

By: **Senators Brochin, Madaleno, and Raskin**

Introduced and read first time: February 1, 2012

Assigned to: Judicial Proceedings and Education, Health, and Environmental Affairs

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 14, 2012

CHAPTER _____

1 AN ACT concerning

2 **Courts – Service of Process – Increase in Sheriff’s Fees – Distribution to**
3 **Rental Allowance Program Fund**

4 FOR the purpose of increasing certain fees for service of process of certain papers by a
5 sheriff; requiring that a certain amount of the fees be distributed to a certain
6 fund established for the Rental Allowance Program of the Department of
7 Housing and Community Development; establishing the Rental Allowance
8 Program Fund; providing for the purpose of the Fund; requiring the
9 Department to administer the Fund; specifying that the State Treasurer shall
10 hold the Fund separately and the State Comptroller shall account for the Fund;
11 specifying that the Fund is a special, nonlapsing fund; providing for the
12 composition of the Fund; specifying that certain earnings shall be paid into the
13 Fund; specifying that certain proceeds shall be invested and reinvested in a
14 certain manner; providing that the money in the Fund may be used only for
15 certain purposes; adding the Fund to a certain list of funds the interest earnings
16 of which are exempt from accruing to the General Fund of the State; defining a
17 certain term; and generally relating to the Rental Allowance Program Fund in
18 the Department of Housing and Community Development.

19 BY repealing and reenacting, with amendments,
20 Article – Courts and Judicial Proceedings
21 Section 7–402
22 Annotated Code of Maryland
23 (2006 Replacement Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY repealing and reenacting, with amendments,
 2 Article – Housing and Community Development
 3 Section 4–1401
 4 Annotated Code of Maryland
 5 (2006 Volume and 2011 Supplement)

6 BY repealing and reenacting, without amendments,
 7 Article – Housing and Community Development
 8 Section 4–1403
 9 Annotated Code of Maryland
 10 (2006 Volume and 2011 Supplement)

11 BY adding to
 12 Article – Housing and Community Development
 13 Section 4–1407
 14 Annotated Code of Maryland
 15 (2006 Volume and 2011 Supplement)

16 BY repealing and reenacting, with amendments,
 17 Article – State Finance and Procurement
 18 Section 6–226(a)(2)(ii)62 and 63
 19 Annotated Code of Maryland
 20 (2009 Replacement Volume and 2011 Supplement)

21 BY adding to
 22 Article – State Finance and Procurement
 23 Section 6–226(a)(2)(ii)64
 24 Annotated Code of Maryland
 25 (2009 Replacement Volume and 2011 Supplement)

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

28 **Article – Courts and Judicial Proceedings**

29 7–402.

30 (a) Except as provided in subsections (b) and (e) of this section, a sheriff shall
 31 collect the following fees:

32 (1) \$5 for service of summary ejectment papers.

33 (2) ~~[\$40]~~ **\$50** for service of a paper not including an execution or
 34 attachment.

35 (3) ~~[\$40]~~ **\$50** for service including an execution or attachment by
 36 taking into custody a person or seizing real or personal property.

1 (4) ~~[\$40]~~ **\$50** for service of process papers arising out of
2 administrative agency proceedings where the party requesting the service is a
3 nongovernmental entity.

4 (5) For the sale following the execution or attachment of personal
5 property: Three percent of the first \$5,000; two percent of the second \$5,000; and one
6 percent of any amount in excess of \$10,000. The sheriff shall collect a minimum of \$15
7 and a maximum of \$500 under the provisions of this paragraph.

8 (6) For the sale following the execution or attachment of real property:
9 One and one-half percent of the first \$5,000; one percent of the second \$5,000; and
10 one-half of one percent of any amount in excess of \$10,000. The sheriff shall collect a
11 minimum of \$1.50 and a maximum of \$250 under the provisions of this paragraph.

12 (7) ~~[\$60]~~ **\$70** for service of a paper originating from a foreign court.

13 (b) (1) For service including an execution or attachment by taking into
14 custody a person or seizing real or personal property, a sheriff may collect the amount
15 specified in a cooperative agreement with the Child Support Enforcement
16 Administration under § 10–111 of the Family Law Article.

17 (2) As part of the costs awarded to a party under § 12–103 of the
18 Family Law Article, a court may not award an amount greater than the amount
19 specified in subsection (a) of this section for the cost of service including an execution
20 or attachment by taking into custody a person or seizing real or personal property.

21 (c) (1) If the sheriff incurs expenses for the purpose of conserving or
22 protecting the seized property, the sheriff shall be reimbursed for the expense.

23 (2) If the Sheriff of Washington County incurs expenses for seizing
24 property, the Sheriff shall be reimbursed by the judgment debtor for reasonable
25 expenses.

26 (d) (1) Except as provided in paragraph (2) of this subsection, if the sheriff
27 is unable to serve a paper, 50% of the fee **REMAINING AFTER DISTRIBUTION TO THE**
28 **FUND IN ACCORDANCE WITH SUBSECTION (F) OF THIS SECTION** shall be refunded
29 to the party requesting the service.

30 (2) If the sheriff is unable to serve summary ejectment papers, the full
31 fee shall be refunded to the party requesting the service.

32 (e) A sheriff may not collect a fee for the service of:

33 (1) A paper from a housing authority created under Division II of the
34 Housing and Community Development Article; or

1 (2) A summons for a law enforcement officer to appear as a witness in
2 a criminal case.

3 **(F) OF EACH FEE COLLECTED UNDER SUBSECTION (A)(2), (3), (4), AND**
4 **(7) OF THIS SECTION \$10 SHALL BE DISTRIBUTED TO THE FUND ESTABLISHED**
5 **UNDER § 4-1407 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE**
6 **AND USED TO FUND THE RENTAL ALLOWANCE PROGRAM ESTABLISHED UNDER**
7 **§ 4-1403 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

8 **Article – Housing and Community Development**

9 4-1401.

10 **(A) In this subtitle[,] THE FOLLOWING WORDS HAVE THE MEANINGS**
11 **INDICATED.**

12 **(B) “FUND” MEANS THE RENTAL ALLOWANCE PROGRAM FUND**
13 **ESTABLISHED UNDER § 4-1407 OF THIS SUBTITLE.**

14 **(C) “Programs” mean rental assistance programs other than the Rental**
15 **Allowance Program established under § 4-1403 of this subtitle.**

16 4-1403.

17 (a) The Department shall administer the Rental Allowance Program to assist
18 low-income households that are homeless or at risk of being homeless by providing
19 housing assistance payments to or on behalf of eligible households.

20 (b) The Secretary shall establish:

21 (1) income limits for eligibility of low-income households not
22 exceeding 30% of the State or area median income, whichever is higher; and

23 (2) minimum standards for eligible dwelling units.

24 (c) The Secretary shall establish the amount of payments made through the
25 Rental Allowance Program, taking into account factors identified in § 4-1405(d) of this
26 subtitle.

27 (d) Eligible uses of payments may include rent, security deposits, utilities,
28 and other housing-related expenses.

29 (e) The Department may administer the Rental Allowance Program by
30 providing monthly housing assistance payments to or on behalf of eligible households
31 directly or through political subdivisions, their local housing agencies or departments,
32 or nonprofit organizations.

1 (f) Funds appropriated to serve low-income households through the Rental
2 Allowance Program may not be used for other programs authorized under this
3 subtitle.

4 (g) The Department may adopt regulations to carry out the Rental Allowance
5 Program, including time frames for assistance and other criteria the Secretary
6 considers appropriate.

7 **4-1407.**

8 (A) **THERE IS A RENTAL ALLOWANCE PROGRAM FUND.**

9 (B) **THE PURPOSE OF THE FUND IS TO PROVIDE MONEY TO CARRY OUT**
10 **THE RENTAL ALLOWANCE PROGRAM ESTABLISHED UNDER § 4-1403 OF THIS**
11 **SUBTITLE.**

12 (C) (1) **THE DEPARTMENT SHALL ADMINISTER THE FUND.**

13 (2) **THE STATE TREASURER SHALL HOLD THE FUND AND THE**
14 **COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

15 (D) **THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT**
16 **TO REVERSION UNDER § 7-302 OF THE STATE FINANCE AND PROCUREMENT**
17 **ARTICLE.**

18 (E) (1) **THE FUND CONSISTS OF:**

19 (I) **MONEY APPROPRIATED IN THE STATE BUDGET FOR THE**
20 **PROGRAM;**

21 (II) **MONEY REQUIRED TO BE DISTRIBUTED TO THE FUND**
22 **UNDER § 7-402(F) OF THE COURTS ARTICLE; AND**

23 (III) **ANY OTHER MONEY ACCEPTED FOR THE BENEFIT OF**
24 **THE FUND FROM ANY OTHER SOURCE.**

25 (2) **ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID**
26 **INTO THE FUND.**

27 (F) **THE PROCEEDS OF THE FUND SHALL BE INVESTED AND**
28 **REINVESTED IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

29 (G) **MONEY IN THE FUND MAY BE SPENT ONLY:**

1 (1) TO CARRY OUT THE PURPOSES OF ~~THIS SUBTITLE~~ THE
2 RENTAL ALLOWANCE PROGRAM; AND

3 (2) IN ACCORDANCE WITH AN APPROPRIATION APPROVED BY THE
4 GENERAL ASSEMBLY IN THE STATE BUDGET.

5 Article – State Finance and Procurement

6 6-226.

7 (a) (2) (ii) The provisions of subparagraph (i) of this paragraph do not
8 apply to the following funds:

9 62. Veterans Trust Fund; [and]

10 63. Transportation Trust Fund; AND

11 64. RENTAL ALLOWANCE PROGRAM FUND.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2012.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.