

HOUSE BILL 454

R4, F2

01r0406

By: **Delegate Rosenberg**

Introduced and read first time: January 24, 2020

Assigned to: Ways and Means and Economic Matters

Committee Report: Favorable with amendments

House action: Adopted

Read second time: March 13, 2020

CHAPTER _____

1 AN ACT concerning

2 **Driver's Licenses and Vehicle Registrations – Distribution of Tax Payments ~~and~~**
3 **~~Unemployment Insurance Contributions~~ – Tax Clinics for Low-Income**
4 **Marylanders**

5 FOR the purpose of requiring that each fiscal year a certain amount of undisputed taxes ~~or~~
6 ~~unemployment insurance contributions~~ collected as a result of the Motor Vehicle
7 Administration's refusal to renew or transfer certain vehicle registrations or renew
8 the driver's license of certain applicants be distributed to the Tax Clinics for
9 Low-Income Marylanders Fund; establishing the Tax Clinics for Low-Income
10 Marylanders Fund as a special, nonlapsing fund; specifying the purpose of the Fund;
11 requiring the Secretary of Higher Education to administer the Fund; requiring the
12 State Treasurer to hold the Fund and the Comptroller to account for the Fund;
13 specifying the contents of the Fund; specifying the purpose for which the Fund may
14 be used; providing for the investment of money in and expenditures from the Fund;
15 making a conforming change; defining a certain term; and generally relating to the
16 distribution of certain undisputed taxes ~~and unemployment insurance contributions.~~

17 BY adding to
18 Article – Education
19 Section 11–409
20 Annotated Code of Maryland
21 (2018 Replacement Volume and 2019 Supplement)

22 BY repealing and reenacting, with amendments,
23 Article – Transportation

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 Section 13–406.2 and 16–115(k)
2 Annotated Code of Maryland
3 (2012 Replacement Volume and 2019 Supplement)

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

6 **Article – Education**

7 **11–409.**

8 (A) IN THIS SECTION, “FUND” MEANS THE TAX CLINICS FOR LOW-INCOME
9 MARYLANDERS FUND.

10 (B) THERE IS A TAX CLINICS FOR LOW-INCOME MARYLANDERS FUND.

11 (C) THE PURPOSE OF THE FUND IS TO PROVIDE GRANTS TO THE
12 UNIVERSITY OF MARYLAND SCHOOL OF LAW ~~AND~~, THE UNIVERSITY OF BALTIMORE
13 SCHOOL OF LAW, AND THE MARYLAND VOLUNTEER LAWYERS SERVICE TO
14 OPERATE TAX CLINICS FOR LOW-INCOME MARYLAND RESIDENTS.

15 (D) THE SECRETARY SHALL ADMINISTER THE FUND.

16 (E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT
17 SUBJECT TO § 7–302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

18 (2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY,
19 AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

20 (F) THE FUND CONSISTS OF:

21 (1) REVENUE DISTRIBUTED TO THE FUND UNDER §§ 13–406.2 AND
22 16–115 OF THE TRANSPORTATION ARTICLE;

23 (2) MONEY APPROPRIATED IN THE STATE BUDGET FOR THE FUND;
24 AND

25 (3) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR
26 THE BENEFIT OF THE FUND.

27 (G) (1) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE FUND
28 MAY BE USED ONLY TO PROVIDE GRANTS TO THE UNIVERSITY OF MARYLAND
29 SCHOOL OF LAW ~~AND~~, THE UNIVERSITY OF BALTIMORE SCHOOL OF LAW, AND THE
30 MARYLAND VOLUNTEER LAWYERS SERVICE TO OPERATE TAX CLINICS FOR
31 LOW-INCOME MARYLAND RESIDENTS.

1 **TAX CLINICS FOR LOW-INCOME MARYLANDERS FUND ESTABLISHED UNDER §**
 2 **11-409 OF THE EDUCATION ARTICLE MAY NOT EXCEED ~~\$450,000~~ \$250,000.**

3 (b) The Administration shall cooperate with the Comptroller and the Maryland
 4 Department of Labor to develop procedures and adopt regulations in accordance with this
 5 section.

6 (c) Regulations adopted under this section shall require:

7 (1) The Comptroller to notify the Administration that an individual has not
 8 paid all undisputed taxes; and

9 (2) The Maryland Department of Labor to notify the Administration that
 10 an individual has not paid all undisputed unemployment insurance contributions.

11 16-115.

12 (k) (1) The Administration may not renew the driver's license of an applicant
 13 who has not paid all undisputed taxes and unemployment insurance contributions payable
 14 to the Comptroller or the Secretary of Labor or provided for payment in a manner
 15 satisfactory to the unit responsible for collection.

16 (2) **(I) SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH, FOR**
 17 **EACH FISCAL YEAR ~~THE FIRST \$450,000~~ \$250,000 OF UNDISPUTED TAXES ~~OR~~**
 18 **~~UNEMPLOYMENT INSURANCE CONTRIBUTIONS~~ COLLECTED AS A RESULT OF THE**
 19 **PROHIBITION UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL BE DISTRIBUTED**
 20 **TO THE TAX CLINICS FOR LOW-INCOME MARYLANDERS FUND ESTABLISHED**
 21 **UNDER § 11-409 OF THE EDUCATION ARTICLE.**

22 **(II) FOR EACH FISCAL YEAR THE TOTAL AMOUNT DISTRIBUTED**
 23 **UNDER SUBPARAGRAPH (I) OF THIS PARAGRAPH AND § 13-406.2 OF THIS ARTICLE**
 24 **TO THE TAX CLINICS FOR LOW-INCOME MARYLANDERS FUND ESTABLISHED**
 25 **UNDER § 11-409 OF THE EDUCATION ARTICLE MAY NOT EXCEED ~~\$450,000~~**
 26 **\$250,000.**

27 **(3)** The Administration shall cooperate with the Comptroller and the
 28 Maryland Department of Labor to develop procedures and adopt regulations in accordance
 29 with this section.

30 **[(3)] (4)** Regulations adopted under this subsection shall require:

31 (i) The Comptroller to notify the Administration that an individual
 32 has not paid all undisputed taxes; and

33 (ii) The Maryland Department of Labor to notify the Administration
 34 that an individual has not paid all undisputed unemployment insurance contributions.

1 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
2 1, 2020.

Approved:

Governor.

Speaker of the House of Delegates.

President of the Senate.