SENATE BILL 413

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1lr1212 CF HB 514

By: **Senator Guzzone** Introduced and read first time: January 15, 2021 Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 Maryland Legal Services Corporation Funding – Abandoned Property

- FOR the purpose of increasing the amount of certain abandoned property funds that the
 Comptroller is required to distribute each year to the Maryland Legal Services
 Corporation Fund; and generally relating to Maryland Legal Services Corporation
 funding.
- 7 BY repealing and reenacting, with amendments,
- 8 Article Commercial Law
- 9 Section 17–317
- 10 Annotated Code of Maryland
- 11 (2013 Replacement Volume and 2020 Supplement)
- 12 BY repealing and reenacting, without amendments,
- 13 Article Human Services
- 14 Section 11–402
- 15 Annotated Code of Maryland
- 16 (2019 Replacement Volume and 2020 Supplement)

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

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Article – Commercial Law

 $20 \quad 17-317.$

(a) (1) All funds received under this title, including the proceeds of the sale of
abandoned property under § 17–316 of this subtitle, shall be credited by the Administrator
to a special fund. The Administrator shall retain in the special fund at the end of each fiscal
year, from the proceeds received, an amount not to exceed \$50,000, from which sum the
Administrator shall pay any claim allowed under this title.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW. [Brackets] indicate matter deleted from existing law.



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1 (2) After deducting all costs incurred in administering this title from the 2 remaining net funds the Administrator shall distribute [\$2,000,000] **\$8,000,000** to the 3 Maryland Legal Services Corporation Fund established under § 11–402 of the Human 4 Services Article.

5 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator 6 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle 7 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under 8 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts 9 to protect the victims' rights as provided by law.

10 (ii) If a victim entitled to restitution that has been treated as 11 abandoned property under § 11–614 of the Criminal Procedure Article is located after the 12 money has been distributed under this paragraph, the Administrator shall reduce the next 13 distribution to the State Victims of Crime Fund by the amount recovered by the victim.

14 (4) After making the distributions required under paragraphs (2) and (3) 15 of this subsection, the Administrator shall distribute the remaining net funds not retained 16 under paragraph (1) of this subsection to the General Fund of the State.

17 (b) Before making the distribution, the Administrator shall record the name and 18 last known address, if any, of the owners of funds so distributed and the type of property 19 which the funds distributed represent. The record shall be available for public inspection 20 during reasonable business hours by any person who claims a legal interest in any property 21 held by the Administrator, provided that the person gives prior notice to the Administrator.

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Article – Human Services

- $23 \quad 11-402.$
- 24 (a) There is a Maryland Legal Services Corporation Fund.
- 25 (b) The Administrative Office of the Courts shall administer the Fund.

26 (c) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the 27 State Finance and Procurement Article.

28 (d) The Fund consists of:

(1) money deposited to the Fund from the surcharge assessed in civil cases
 under §§ 7–202 and 7–301 of the Courts Article;

31 (2) money distributed to the Fund under § 17–317 of the Commercial Law
 32 Article;

33 (3) interest on attorney trust accounts paid to the Fund under § 10–303 of

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1	the Business Occupations and Professions Article; and	
2		(4) investment earnings of the Fund.
$\frac{3}{4}$	(e) to indigents	The Corporation shall use the Fund to provide funding for civil legal services under this title.
5	(f)	The Treasurer shall:
6 7	and	(1) invest and reinvest the Fund in the same manner as other State funds;
8 9	against the	(2) credit any investment earnings to the Fund and may not charge interest Fund if the average daily net cash balance for the month is less than zero.
$10 \\ 11 \\ 12 \\ 13 \\ 14$	(g) Expenditures from the Fund shall be made in accordance with an appropriation requested by the Judicial Branch of the State government under § 7–108 of the State Finance and Procurement Article and approved by the General Assembly in the State budget or by the budget amendment procedure under § 7–208.1 of the State Finance and Procurement Article.	
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15 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July1, 2021.