

# SENATE BILL 413

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CF HB 514

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By: **Senator Guzzone**

Introduced and read first time: January 15, 2021

Assigned to: Budget and Taxation

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Committee Report: Favorable

Senate action: Adopted

Read second time: February 28, 2021

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## CHAPTER \_\_\_\_\_

1 AN ACT concerning

2 **Maryland Legal Services Corporation Funding – Abandoned Property**

3 FOR the purpose of increasing the amount of certain abandoned property funds that the  
4 Comptroller is required to distribute each year to the Maryland Legal Services  
5 Corporation Fund; and generally relating to Maryland Legal Services Corporation  
6 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)

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

19 **Article – Commercial Law**

20 17–317.

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

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

10 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator  
11 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle  
12 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under  
13 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts  
14 to protect the victims' rights as provided by law.

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

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

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

## 27 Article – Human Services

28 11–402.

29 (a) There is a Maryland Legal Services Corporation Fund.

30 (b) The Administrative Office of the Courts shall administer the Fund.

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

33 (d) The Fund consists of:

34 (1) money deposited to the Fund from the surcharge assessed in civil cases

1 under §§ 7–202 and 7–301 of the Courts Article;

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

4 (3) interest on attorney trust accounts paid to the Fund under § 10–303 of  
5 the Business Occupations and Professions Article; and

6 (4) investment earnings of the Fund.

7 (e) The Corporation shall use the Fund to provide funding for civil legal services  
8 to indigents under this title.

9 (f) The Treasurer shall:

10 (1) invest and reinvest the Fund in the same manner as other State funds;  
11 and

12 (2) credit any investment earnings to the Fund and may not charge interest  
13 against the Fund if the average daily net cash balance for the month is less than zero.

14 (g) Expenditures from the Fund shall be made in accordance with an  
15 appropriation requested by the Judicial Branch of the State government under § 7–108 of  
16 the State Finance and Procurement Article and approved by the General Assembly in the  
17 State budget or by the budget amendment procedure under § 7–208.1 of the State Finance  
18 and Procurement Article.

19 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
20 1, 2021.

Approved:

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Governor.

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President of the Senate.

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Speaker of the House of Delegates.