SENATE BILL 662

m N1 m 2lr2594 m CF~HB~724

By: Senators Zucker, Elfreth, Feldman, Griffith, Guzzone, Hettleman, Jackson, King, Lee, Smith, and Waldstreicher

Introduced and read first time: February 4, 2022

Assigned to: Judicial Proceedings and Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 3, 2022

CHAPTER _____

-	A 3 T	A (177)	•
1	AN	\mathbf{ACT}	concerning

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Access to Counsel in Evictions Special Fund – Funding

- 3 FOR the purpose of requiring the Comptroller to distribute a certain amount of certain
- 4 abandoned property funds to the Access to Counsel in Evictions Special Fund; and
- 5 generally relating to the Access to Counsel in Evictions Special Fund.
- 6 BY repealing and reenacting, without amendments,
- 7 Article Commercial Law
- 8 Section 17–101(a) and (c)
- 9 Annotated Code of Maryland
- 10 (2013 Replacement Volume and 2021 Supplement)
- 11 BY repealing and reenacting, with amendments,
- 12 Article Commercial Law
- 13 Section 17–317(a)
- 14 Annotated Code of Maryland
- 15 (2013 Replacement Volume and 2021 Supplement)
- 16 BY repealing and reenacting, without amendments,
- 17 Article Real Property
- 18 Section 8–909
- 19 Annotated Code of Maryland
- 20 (2015 Replacement Volume and 2021 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

<u>Underlining</u> indicates amendments to bill.

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



SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, 2 That the Laws of Maryland read as follows:

3 Article – Commercial Law

- 4 17–101.
- 5 (a) In this title the following words have the meanings indicated.
- 6 (c) "Administrator" means the State Comptroller.
- 7 17-317.

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- 8 (a) (1) (i) All funds received under this title, including the proceeds of the 9 sale of abandoned property under § 17–316 of this subtitle, shall be credited by the 10 Administrator to a special fund.
- 11 (ii) The Administrator shall retain in the special fund at the end of 12 each fiscal year, from the proceeds received, an amount not to exceed \$50,000, from which 13 sum the Administrator shall pay any claim allowed under this title.
- 14 (2) After deducting all costs incurred in administering this title from the 15 remaining net funds the Administrator shall distribute \$8,000,000 to the Maryland Legal 16 Services Corporation Fund established under § 11–402 of the Human Services Article.
- 17 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator 18 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle 19 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under 20 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts 21 to protect the victims' rights as provided by law.
 - (ii) If a victim entitled to restitution that has been treated as abandoned property under § 11–614 of the Criminal Procedure Article is located after the money has been distributed under this paragraph, the Administrator shall reduce the next distribution to the State Victims of Crime Fund by the amount recovered by the victim.
 - (4) For fiscal years 2022 and 2023, after making the distributions required under paragraphs (2) and (3) of this subsection, the Administrator shall distribute \$250,000 from the remaining net funds to the Tax Clinics for Low–Income Marylanders Fund established under § 1–206 of the Tax General Article.
- (5) FOR FISCAL YEAR 2023 2024, AFTER MAKING THE DISTRIBUTIONS
 REQUIRED UNDER PARAGRAPHS (2), (3), AND (4) OF THIS SUBSECTION, THE
 ADMINISTRATOR SHALL DISTRIBUTE \$11,800,000 \$14,000,000 FROM THE
 REMAINING NET FUNDS TO THE ACCESS TO COUNSEL IN EVICTIONS SPECIAL FUND
 UNDER \$8-909 OF THE REAL PROPERTY ARTICLE.

1 [(5)] (6) After making the distributions required under paragraphs (2), 2 (3), [and] (4), AND (5) of this subsection, the Administrator shall distribute the remaining 3 net funds not retained under paragraph (1) of this subsection to the General Fund of the 4 State. Article - Real Property 5 6 8–909. 7 There is an Access to Counsel in Evictions Special Fund. (a) (b) 8 The purpose of the Fund is to provide funding to fully implement access to 9 legal representation in evictions and other related proceedings in the State. 10 (c) MLSC shall administer the Fund. 11 The Fund is a special, nonlapsing fund that is not subject to § 7–302 of (d) (1) the State Finance and Procurement Article. 12 13 The State Treasurer shall hold the Fund separately, and the 14 Comptroller shall account for the Fund. (e) The Fund consists of: 15 16 (1) Money appropriated in the State budget to the Fund; 17 **(2)** Money distributed to the Fund under § 17–317 of the COMMERCIAL LAW ARTICLE; 18 19 $\frac{(2)}{(3)}$ Interest earnings of the Fund; and 20 $\frac{(3)}{(4)}$ Any other money from any other source accepted for the benefit of the Fund. 21 22 (f) The Fund may be used only for: 23 Services provided by a designated organization or activity by a community group to implement the Program as provided in this subtitle, including all costs 2425associated with required legal representation in any proceeding and any outreach and 26 education activities: 27 (2)If a local jurisdiction enacts a program authorized under this subtitle, 28 services provided by the local jurisdiction to implement access to counsel in eviction 29 proceedings as provided for in this subtitle, including all costs associated with required

legal representation in any proceeding and any outreach and education activities;

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Approved:	
	Governor.
	President of the Senate.
	Speaker of the House of Delegates.