

SENATE BILL 756

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3lr2629
CF HB 1050

By: ~~Senator Guzzone~~ Senators Guzzone, Benson, Elfreth, Hettleman, Jackson, King, Rosapepe, and Zucker

Introduced and read first time: February 6, 2023

Assigned to: Budget and Taxation

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 6, 2023

CHAPTER _____

1 AN ACT concerning

2 **Access to Counsel in Evictions – Funding**

3 FOR the purpose of ~~making permanent~~ extending a requirement that the Comptroller
4 distribute a certain amount of certain abandoned property funds to the Access to
5 Counsel in Evictions Special Fund through a certain fiscal year; ~~making permanent~~
6 extending a requirement that the Governor include in the annual budget bill a
7 certain appropriation from the Fund to the Maryland Legal Services Corporation
8 through a certain fiscal year; and generally relating to the Access to Counsel in
9 Evictions Special Fund.

10 BY repealing and reenacting, without amendments,
11 Article – Commercial Law
12 Section 17–101(a) and (c)
13 Annotated Code of Maryland
14 (2013 Replacement Volume and 2022 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Commercial Law
17 Section 17–317(a)
18 Annotated Code of Maryland
19 (2013 Replacement Volume and 2022 Supplement)

20 BY repealing and reenacting, with amendments,
21 Article – Real Property

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 8–909
2 Annotated Code of Maryland
3 (2015 Replacement Volume and 2022 Supplement)

4 BY repealing and reenacting, with amendments,
5 Chapter 40 of the Acts of the General Assembly of 2022
6 Section 2

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

9 **Article – Commercial Law**

10 17–101.

11 (a) In this title the following words have the meanings indicated.

12 (c) “Administrator” means the State Comptroller.

13 17–317.

14 (a) (1) (i) All funds received under this title, including the proceeds of the
15 sale of abandoned property under § 17–316 of this subtitle, shall be credited by the
16 Administrator to a special fund.

17 (ii) The Administrator shall retain in the special fund at the end of
18 each fiscal year, from the proceeds received, an amount not to exceed \$50,000, from which
19 sum the Administrator shall pay any claim allowed under this title.

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

23 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator
24 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle
25 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under
26 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts
27 to protect the victims’ rights as provided by law.

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

32 (4) [For fiscal years 2022 and 2023, after making the distributions required
33 under paragraphs (2) and (3) of this subsection, the Administrator shall distribute \$250,000

1 from the remaining net funds to the Tax Clinics for Low-Income Marylanders Fund
2 established under § 1-206 of the Tax – General Article.

3 (5) For EACH OF fiscal ~~year~~ YEARS 2024 THROUGH 2027, after ~~AFTER~~
4 making the distributions required under paragraphs (2)[,] AND (3)[, and (4)] of this
5 subsection, the Administrator shall distribute \$14,000,000 from the remaining net funds to
6 the Access to Counsel in Evictions Special Fund under § 8-909 of the Real Property Article.

7 [(6) (5) After making the distributions required under paragraphs (2),
8 (3), AND (4)[, and (5)] of this subsection, the Administrator shall distribute the remaining
9 net funds not retained under paragraph (1) of this subsection to the General Fund of the
10 State.

11 Article – Real Property

12 8-909.

13 (a) There is an Access to Counsel in Evictions Special Fund.

14 (b) The purpose of the Fund is to provide funding to fully implement access to
15 legal representation in evictions and other related proceedings in the State.

16 (c) MLSC shall administer the Fund.

17 (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of
18 the State Finance and Procurement Article.

19 (2) The State Treasurer shall hold the Fund separately, and the
20 Comptroller shall account for the Fund.

21 (e) The Fund consists of:

22 (1) Money received by the Division of Consumer Protection in the Office of
23 the Attorney General from any final settlement or agreement with or judgment against a
24 party relating to an investigation or enforcement of the Maryland Consumer Protection Act
25 for an unfair, abusive, or deceptive trade practice for rental residential property, excluding
26 any restitution and the costs of the action the Attorney General is entitled to recover;

27 (2) Money appropriated in the State budget to the Fund;

28 (3) Money distributed to the Fund under § 17-317 of the Commercial Law
29 Article;

30 (4) Interest earnings of the Fund; and

31 (5) Any other money from any other source accepted for the benefit of the
32 Fund.

1 (f) The Fund may be used only for:

2 (1) Services provided by a designated organization or activity by a
3 community group to implement the Program as provided in this subtitle, including all costs
4 associated with required legal representation in any proceeding and any outreach and
5 education activities;

6 (2) If a local jurisdiction enacts a program authorized under this subtitle,
7 services provided by the local jurisdiction to implement access to counsel in eviction
8 proceedings as provided for in this subtitle, including all costs associated with required
9 legal representation in any proceeding and any outreach and education activities;

10 (3) Administrative expenses of MLSC; and

11 (4) Expenses related to the study and evaluation of:

12 (i) Services and activities provided under this subtitle; and

13 (ii) Funding amounts and sources necessary to fully effectuate
14 access to counsel in eviction proceedings.

15 (g) (1) The State Treasurer shall invest the money of the Fund in the same
16 manner as other State money may be invested.

17 (2) Any interest earnings of the Fund shall be credited to the Fund.

18 (h) (1) Expenditures from the Fund may be made only in accordance with the
19 State budget.

20 (2) For **EACH OF** fiscal ~~year~~ **YEARS [2024 THROUGH 2027]**, the Governor
21 shall include in the annual budget bill an appropriation of \$14,000,000 from the Fund to
22 MLSC.

23 (i) Money expended from the Fund is supplemental to and is not intended to take
24 the place of funding that otherwise would be appropriated for civil legal services from any
25 other source.

26 **Chapter 40 of the Acts of 2022**

27 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
28 1, 2022. [It shall remain effective for a period of 2 years and 6 months and, at the end of
29 December 31, 2024, this Act, with no further action required by the General Assembly, shall
30 be abrogated and of no further force and effect.]

31 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
32 1, 2023.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.