

SENATE BILL 1142

Q3, F2

4lr3486
CF HB 1506

By: **Senators Zucker and Guzzone**

Introduced and read first time: February 9, 2024

Assigned to: Rules

Re-referred to: Budget and Taxation, February 21, 2024

Committee Report: Favorable

Senate action: Adopted

Read second time: February 29, 2024

CHAPTER _____

1 AN ACT concerning

2 **Tax Clinics for Low-Income Marylanders – Funding**

3 FOR the purpose of requiring the Comptroller, beginning in a certain fiscal year, to
4 distribute a certain amount of abandoned property funds to the Tax Clinics for
5 Low-Income Marylanders Fund; and generally relating to tax assistance for
6 low-income Marylanders.

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 2023 Supplement)

12 BY repealing and reenacting, without amendments,

13 Article – Tax – General

14 Section 1–207

15 Annotated Code of Maryland

16 (2022 Replacement Volume and 2023 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**

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 17–317.

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

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

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

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

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

20 (4) **FOR FISCAL YEAR 2025 AND EACH FISCAL YEAR THEREAFTER,**
21 **AFTER MAKING THE DISTRIBUTIONS REQUIRED UNDER PARAGRAPHS (2) AND (3) OF**
22 **THIS SUBSECTION, THE ADMINISTRATOR SHALL DISTRIBUTE \$250,000 FROM THE**
23 **REMAINING NET FUNDS TO THE TAX CLINICS FOR LOW-INCOME MARYLANDERS**
24 **FUND ESTABLISHED UNDER § 1–207 OF THE TAX – GENERAL ARTICLE.**

25 (5) For each of fiscal years 2024 through 2027, after making the
26 distributions required under paragraphs (2) [and (3)] **THROUGH (4)** of this subsection, the
27 Administrator shall distribute \$14,000,000 from the remaining net funds to the Access to
28 Counsel in Evictions Special Fund under § 8–909 of the Real Property Article.

29 **[(5) (6)]** After making the distributions required under paragraphs (2)[,
30 (3), and (4)] **THROUGH (5)** of this subsection, the Administrator shall distribute the
31 remaining net funds not retained under paragraph (1) of this subsection to the General
32 Fund of the State.

33 (b) (1) Before making the distribution, the Administrator shall record the
34 name and last known address, if any, of the owners of funds so distributed and the type of
35 property which the funds distributed represent.

36 (2) The record shall be available for public inspection during reasonable

1 business hours by any person who claims a legal interest in any property held by the
2 Administrator, provided that the person gives prior notice to the Administrator.

3 **Article – Tax – General**

4 1–207.

5 (a) In this section, “Fund” means the Tax Clinics for Low–Income Marylanders
6 Fund.

7 (b) There is a Tax Clinics for Low–Income Marylanders Fund.

8 (c) The purpose of the Fund is to provide grants to the University of Maryland
9 School of Law, the University of Baltimore School of Law, and the Maryland Volunteer
10 Lawyers Service to operate tax clinics for low–income Maryland residents.

11 (d) The Comptroller shall administer the Fund.

12 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
13 the State Finance and Procurement Article.

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

16 (f) The Fund consists of:

17 (1) proceeds distributed to the Fund under § 17–317 of the Commercial
18 Law Article;

19 (2) money appropriated in the State budget for the Fund; and

20 (3) any other money from any other source accepted for the benefit of the
21 Fund.

22 (g) (1) Subject to paragraph (2) of this subsection, the Fund may be used only
23 to provide grants to the University of Maryland School of Law, the University of Baltimore
24 School of Law, and the Maryland Volunteer Lawyers Service to operate tax clinics for
25 low–income Maryland residents.

26 (2) For each fiscal year, the total amount of grant money expended from
27 the Fund to support tax clinics shall be distributed as follows:

28 (i) one–third to the University of Maryland School of Law;

29 (ii) one–third to the University of Baltimore School of Law; and

30 (iii) one–third to the Maryland Volunteer Lawyers Service.

1 (h) Beginning in fiscal year 2024 and each fiscal year thereafter, the Governor
2 may include in the annual budget bill an appropriation to the Fund.

3 (i) (1) The State Treasurer shall invest the money of the Fund in the same
4 manner as other State money may be invested.

5 (2) Any interest earnings of the Fund shall be credited to the General Fund
6 of the State.

7 (j) Expenditures from the Fund may be made only in accordance with the State
8 budget.

9 (k) Money expended from the Fund to support tax clinics at the University of
10 Maryland School of Law, the University of Baltimore School of Law, and the Maryland
11 Volunteer Lawyers Service is supplemental to and is not intended to take the place of
12 funding that otherwise would be appropriated for tax clinics.

13 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
14 1, 2024.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.