

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 115

(Chairman, Judiciary Committee)
(Maryland Judicial Conference)

Judiciary

Judicial Proceedings

Clients' Security Trust Fund - Renaming

This bill renames the Clients' Security Trust Fund of the Bar of Maryland as the Client Protection Fund of the Bar of Maryland.

The bill takes effect July 1, 2002.

Fiscal Summary

State Effect: It is expected that the Client Security Trust Fund could replace any brochures and supplies to reflect a new name within its existing resources.

Local Effect: The renaming of this fund is not expected to impact local government finances.

Small Business Effect: None.

Analysis

Current Law: A statute provides that the Court of Appeals may establish a Clients' Security Trust Fund of the Bar of Maryland and may provide rules to administer and operate the fund. The Maryland Rules set forth rules for administration and operation of the fund.

Background: The Clients' Security Trust Fund was established in 1965. The fund reimburses clients for losses (not recoverable from other sources) caused by an attorney's

or fiduciary's misuse of the client's money. The fund is administered by nine trustees, eight of whom must be attorneys, and one of whom may not be an attorney.

With limited exceptions, all attorneys barred by the State of Maryland must pay an annual fee to the fund. The fund may raise and collect additional money through voluntary contributions or other means.

Additional Information

Prior Introductions: None.

Cross File: SB 200 (Chairman, Judicial Proceedings Committee) (Maryland Judicial Conference) – Judicial Proceedings.

Information Source(s): Judiciary (Administrative Office of the Courts), Department of Legislative Services

Fiscal Note History: First Reader - January 29, 2002
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