

# HOUSE BILL 1303

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(3lr2854)

## ENROLLED BILL

— Appropriations/Judicial Proceedings —

Introduced by **Delegates Dumais, Anderson, Carter, Ivey, Lee, Oaks, Rosenberg, and Valderrama**

Read and Examined by Proofreaders:

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Proofreader.

\_\_\_\_\_  
Proofreader.

Sealed with the Great Seal and presented to the Governor, for his approval this

\_\_\_\_\_ day of \_\_\_\_\_ at \_\_\_\_\_ o'clock, \_\_\_\_\_ M.

\_\_\_\_\_  
Speaker.

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

1 AN ACT concerning

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

3 FOR the purpose of altering the distributee of certain abandoned property funds that  
4 the Comptroller is required to distribute each year; altering the amount that the  
5 Comptroller is required to distribute; repealing certain provisions of law  
6 requiring the Governor to appropriate a certain amount in certain budgets each  
7 year to the Maryland Legal Services Corporation Fund; repealing certain  
8 provisions of law authorizing the Governor to transfer a certain amount to the  
9 Fund from a certain portion of abandoned property funds; altering a certain  
10 source of money in the Fund; and generally relating to Maryland Legal Services  
11 Corporation funding.

12 BY repealing and reenacting, with amendments,  
13 Article – Commercial Law

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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.

*Italics* indicate opposite chamber/conference committee amendments.



1 Section 17–317(a)  
2 Annotated Code of Maryland  
3 (2005 Replacement Volume and 2012 Supplement)

4 BY repealing and reenacting, with amendments,  
5 Article – Human Services  
6 Section 11–401 and 11–402  
7 Annotated Code of Maryland  
8 (2007 Volume and 2012 Supplement)

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

11 **Article – Commercial Law**

12 17–317.

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

19 (2) After deducting all costs incurred in administering this title from  
20 the remaining net funds the Administrator shall distribute ~~[\$500,000] \$3,000,000~~  
21 \$1,500,000 to the Maryland Legal Services Corporation [to support the activities of  
22 the corporation] **FUND ESTABLISHED UNDER § 11–402 OF THE HUMAN SERVICES**  
23 **ARTICLE.**

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

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

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

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## Article – Human Services

11–401.

[(a) In the State operating budget or in any supplemental budget that the Governor submits to the General Assembly, the Governor shall appropriate at least \$500,000 each year to the Maryland Legal Services Corporation Fund established under § 11–402 of this subtitle.

(b) (1) To support or add to the appropriation under subsection (a) of this section, on July 1 of each year, the Governor may transfer to the Fund up to \$500,000 from the portion of abandoned property funds deposited in the General Fund of the State under § 17–317 of the Commercial Law Article.

(2) If, after deducting all costs of administering the abandoned property fund, the balance in the portion of abandoned property funds deposited in the General Fund of the State under § 17–317 of the Commercial Law Article is less than \$500,000, only the balance may be transferred in accordance with paragraph (1) of this subsection.

(c) Nonstate funds received by the Corporation shall be accounted for and reported as receipts and disbursements separate and distinct from State funds.

11–402.

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

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

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

(d) The Fund consists of:

(1) money deposited to the Fund from the surcharge assessed in civil cases under §§ 7–202 and 7–301 of the Courts Article;

(2) [money appropriated to the Fund under § 11–401 of this subtitle]  
**MONEY DISTRIBUTED TO THE FUND UNDER § 17–317 OF THE COMMERCIAL LAW ARTICLE;**

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

(4) investment earnings of the Fund.

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

3 (f) The Treasurer shall:

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

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

9 (g) Expenditures from the Fund shall be made in accordance with an  
10 appropriation requested by the Judicial Branch of the State government under §  
11 7-108 of the State Finance and Procurement Article and approved by the General  
12 Assembly in the State budget or by the budget amendment procedure under § 7-208.1  
13 of the State Finance and Procurement Article.

14 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
15 ~~June~~ July 1, 2013.

Approved:

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Governor.

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Speaker of the House of Delegates.

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President of the Senate.