

# HOUSE BILL 346

Q3, F2  
HB 421/21 – W&M

3lr1561  
CF 3lr1560

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By: **Delegate Rosenberg**

Introduced and read first time: January 26, 2023

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Tax Clinics for Low–Income Marylanders – Funding – Repeal of Sunset**

3 FOR the purpose of repealing the termination of certain provisions of law requiring, for  
4 certain fiscal years, the Comptroller to distribute a certain amount of certain  
5 abandoned property funds to the Tax Clinics for Low–Income Marylanders Fund;  
6 and generally relating to tax clinics for low–income individuals.

7 BY repealing and reenacting, without amendments,

8 Article – Tax – General

9 Section 1–207

10 Annotated Code of Maryland

11 (2022 Replacement Volume)

12 BY repealing and reenacting, with amendments,

13 Article – Commercial Law

14 Section 17–317

15 Annotated Code of Maryland

16 (2013 Replacement Volume and 2022 Supplement)

17 BY repealing and reenacting, with amendments,

18 Chapter 678 of the Acts of the General Assembly of 2021

19 Section 3

20 BY repealing and reenacting, with amendments,

21 Chapter 679 of the Acts of the General Assembly of 2021

22 Section 3

23 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,

24 That the Laws of Maryland read as follows:

25 **Article – Tax – General**

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 1–207.

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

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

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

8 (d) The Comptroller shall administer the Fund.

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

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

13 (f) The Fund consists of:

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

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

17 (3) any other money from any other source accepted for the benefit of the  
18 Fund.

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

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

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

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

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

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

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

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

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

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

### 11 Article – Commercial Law

12 17–317.

13 (a) (1) (i) 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.

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

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

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

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

31 (4) For fiscal [years] YEAR 2022 and [2023] EACH FISCAL YEAR  
32 **THEREAFTER**, after making the distributions required under paragraphs (2) and (3) of this  
33 subsection, the Administrator shall distribute \$250,000 from the remaining net funds to  
34 the Tax Clinics for Low–Income Marylanders Fund established under [§ 1–206] § 1–207 of  
35 the Tax – General Article.

1 (5) For fiscal year 2024, after making the distributions required under  
2 paragraphs (2), (3), and (4) of this subsection, the Administrator shall distribute  
3 \$14,000,000 from the remaining net funds to the Access to Counsel in Evictions Special  
4 Fund under § 8–909 of the Real Property Article.

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

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

11 (2) The record shall be available for public inspection during reasonable  
12 business hours by any person who claims a legal interest in any property held by the  
13 Administrator, provided that the person gives prior notice to the Administrator.

#### 14 **Chapter 678 of the Acts of 2021**

15 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
16 1, 2021. [Section 2 of this Act shall remain effective for a period of 2 years and 6 months  
17 and, at the end of December 31, 2023, Section 2 of this Act, with no further action required  
18 by the General Assembly, shall be abrogated and of no further force and effect.]

#### 19 **Chapter 679 of the Acts of 2021**

20 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
21 1, 2021. [Section 2 of this Act shall remain effective for a period of 2 years and 6 months  
22 and, at the end of December 31, 2023, Section 2 of this Act, with no further action required  
23 by the General Assembly, shall be abrogated and of no further force and effect.]

24 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July  
25 1, 2023.