

SENATE BILL 312

Q3, F2

3lr1560
CF HB 346

By: **Senators Zucker, Corderman, Elfreth, Guzzone, Hettleman, Jackson, King, Rosapepe, and Salling**

Introduced and read first time: January 27, 2023

Assigned to: Budget and Taxation

Committee Report: Favorable

Senate action: Adopted

Read second time: February 17, 2023

CHAPTER _____

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,

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 Chapter 679 of the Acts of the General Assembly of 2021
2 Section 3

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

5 **Article – Tax – General**

6 1–207.

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

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

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

13 (d) The Comptroller shall administer the Fund.

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

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

18 (f) The Fund consists of:

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

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

22 (3) any other money from any other source accepted for the benefit of the
23 Fund.

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

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

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

1 (ii) one-third to the University of Baltimore School of Law; and

2 (iii) one-third to the Maryland Volunteer Lawyers Service.

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

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

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

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

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

15 Article – Commercial Law

16 17–317.

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

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

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

26 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator
27 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle
28 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under
29 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts
30 to protect the victims' rights as provided by law.

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

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

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

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

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

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

19 **Chapter 678 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 **Chapter 679 of the Acts of 2021**

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28 by the General Assembly, shall be abrogated and of no further force and effect.]

29 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
30 1, 2023.