

SENATE BILL 154

N1, P1

(PRE-FILED)

5lr1492
CF HB 103

By: **Senators Hettleman and Guzzone**

Requested: October 30, 2024

Introduced and read first time: January 8, 2025

Assigned to: Budget and Taxation and Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Access to Counsel in Evictions – Task Force Termination and Special Fund**

3 FOR the purpose of making permanent a requirement that the Comptroller distribute a
4 certain amount of certain abandoned property funds to the Access to Counsel in
5 Evictions Special Fund; making permanent a requirement that the Governor make
6 a certain appropriation from the Access to Counsel in Evictions Special Fund to the
7 Maryland Legal Services Corporation; terminating the Access to Counsel in
8 Evictions Task Force on a certain date; and generally relating to the Access to
9 Counsel in Evictions Special Fund and the Access to Counsel in Evictions Task Force.

10 BY repealing and reenacting, with amendments,
11 Article – Commercial Law
12 Section 17–317
13 Annotated Code of Maryland
14 (2013 Replacement Volume and 2024 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article – Real Property
17 Section 8–901 and 8–909
18 Annotated Code of Maryland
19 (2023 Replacement Volume and 2024 Supplement)

20 BY repealing
21 Article – Real Property
22 Section 8–908
23 Annotated Code of Maryland
24 (2023 Replacement Volume and 2024 Supplement)

25 BY repealing and reenacting, with amendments,
26 Article – Commercial Law

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Section 17–317(a)(5)
2 Annotated Code of Maryland
3 (2013 Replacement Volume and 2024 Supplement)
4 (As enacted by Section 1 of this Act)

5 BY renumbering
6 Article – Real Property
7 Section 8–909 through 8–911
8 to be Section 8–908 and 8–910, respectively
9 Annotated Code of Maryland
10 (2023 Replacement Volume and 2024 Supplement)

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

13 **Article – Commercial Law**

14 17–317.

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

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

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

24 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator
25 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle
26 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under
27 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts
28 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 the
31 money has been distributed under this paragraph, the Administrator shall reduce the next
32 distribution to the State Victims of Crime Fund by the amount recovered by the victim.

33 (4) For fiscal year 2025 and each fiscal year thereafter, after making the
34 distributions required under paragraphs (2) and (3) of this subsection, the Administrator
35 shall distribute \$500,000 from the remaining net funds to the Tax Clinics for Low–Income
36 Marylanders Fund established under § 1–207 of the Tax – General Article.

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

5 (6) After making the distributions required under paragraphs (2) through
6 (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 **Article – Real Property**

15 8–909.

16 (a) There is an Access to Counsel in Evictions Special Fund.

17 (b) The purpose of the Fund is to provide funding to fully implement access to
18 legal representation in evictions and other related proceedings in the State.

19 (c) MLSC shall administer the Fund.

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

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

24 (e) The Fund consists of:

25 (1) Money received by the Division of Consumer Protection in the Office of
26 the Attorney General from any final settlement or agreement with or judgment against a
27 party relating to an investigation or enforcement of the Maryland Consumer Protection Act
28 for an unfair, abusive, or deceptive trade practice for rental residential property, excluding
29 any restitution and the costs of the action the Attorney General is entitled to recover;

30 (2) Money appropriated in the State budget to the Fund;

31 (3) Money distributed to the Fund under § 17–317 of the Commercial Law
32 Article;

1 (4) Interest earnings of the Fund; and

2 (5) Any other money from any other source accepted for the benefit of the
3 Fund.

4 (f) The Fund may be used only for:

5 (1) Services provided by a designated organization or activity by a
6 community group to implement the Program as provided in this subtitle, including all costs
7 associated with required legal representation in any proceeding and any outreach and
8 education activities;

9 (2) If a local jurisdiction enacts a program authorized under this subtitle,
10 services provided by the local jurisdiction to implement access to counsel in eviction
11 proceedings as provided for in this subtitle, including all costs associated with required
12 legal representation in any proceeding and any outreach and education activities;

13 (3) Administrative expenses of MLSC; and

14 (4) Expenses related to the study and evaluation of:

15 (i) Services and activities provided under this subtitle; and

16 (ii) Funding amounts and sources necessary to fully effectuate
17 access to counsel in eviction proceedings.

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

20 (2) Any interest earnings of the Fund shall be credited to the Fund.

21 (h) (1) Expenditures from the Fund may be made only in accordance with the
22 State budget.

23 (2) For each [of fiscal years 2024 through 2027] **FISCAL YEAR**, the
24 Governor shall include in the annual budget bill an appropriation of \$14,000,000 from the
25 Fund to MLSC.

26 (i) Money expended from the Fund is supplemental to and is not intended to take
27 the place of funding that otherwise would be appropriated for civil legal services from any
28 other source.

29 SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
30 as follows:

31 **Article – Real Property**

1 8–901.

2 (a) In this subtitle the following words have the meanings indicated.

3 (b) “Community group” means a nonprofit entity with the capacity to conduct
4 tenant outreach and provide engagement, education, and information.

5 (c) “Covered individual” means an individual who:

6 (1) Occupies a residential property under a claim of legal right other than
7 owner, including a tenant in a building owned, operated, or managed by a public housing
8 authority; and

9 (2) Is a member of a household with an income that is not greater than 50%
10 of the median income, adjusted for household size, in the State as determined by the United
11 States Department of Health and Human Services or its successor.

12 (d) “Designated organization” means a nonprofit entity designated by MLSC with
13 the ability to provide legal representation to covered individuals.

14 (e) “Fund” means the Access to Counsel in Evictions Special Fund.

15 (f) “Legal representation” includes all representation by an attorney beyond brief
16 legal advice and is not limited to the formal entry of appearance in court.

17 (g) “MLSC” means the Maryland Legal Services Corporation.

18 (h) “Program” means the Access to Counsel in Evictions Program.

19 [(i) “Task Force” means the Access to Counsel in Evictions Task Force.]

20 [8–908.

21 (a) There is an Access to Counsel in Evictions Task Force.

22 (b) (1) The Task Force consists of up to 15 members appointed by the Office of
23 the Attorney General and shall include:

24 (i) At least two representatives of the Maryland State Bar
25 Association;

26 (ii) At least two representatives of tenant advocacy groups or
27 designated organizations;

28 (iii) At least two representatives of the Judiciary;

29 (iv) At least two representatives of community groups;

1 (v) At least two representatives of landlords;

2 (vi) Representatives of MLSC; and

3 (vii) Tenants and other interested citizens.

4 (2) At least three members of the Task Force must be tenants whose
5 income does not exceed 50% of the State median income adjusted for household size.

6 (c) The Attorney General shall designate the chair of the Task Force.

7 (d) The Office of the Attorney General shall provide staff for the Task Force.

8 (e) A member of the Task Force:

9 (1) May not receive compensation as a member of the Task Force; but

10 (2) Is entitled to reimbursement for expenses under the Standard State
11 Travel Regulations, as provided in the State budget.

12 (f) The Task Force shall:

13 (1) Evaluate the provision of services under this subtitle, including the
14 performance of designated organizations and community groups;

15 (2) Study potential funding sources; and

16 (3) Make recommendations to improve the implementation of this subtitle,
17 including necessary policy and statutory changes.

18 (g) On or before January 1, 2022, and each January 1 thereafter, the Task Force
19 shall report its findings and recommendations to the Governor and, in accordance with §
20 2–1257 of the State Government Article, the General Assembly.

21 (h) The Task Force may apply for grants from public and private entities to carry
22 out the duties of the Task Force.]

23 SECTION 3. AND BE IT FURTHER ENACTED, That the Laws of Maryland read
24 as follows:

25 **Article – Commercial Law**

26 17–317.

27 (a) (5) After making the distributions required under paragraphs (2) through
28 (4) of this subsection, the Administrator shall distribute \$14,000,000 from the remaining

1 net funds to the Access to Counsel in Evictions Special Fund under [§ 8–909] **§ 8–908** of
2 the Real Property Article.

3 SECTION 4. AND BE IT FURTHER ENACTED, That Section(s) 8–909 through
4 8–911 of Article – Real Property of the Annotated Code of Maryland be renumbered to be
5 Section(s) 8–908 through 8–910, respectively.

6 SECTION 5. AND BE IT FURTHER ENACTED, That Sections 2, 3, and 4 of this
7 Act shall take effect January 31, 2026.

8 SECTION 6. AND BE IT FURTHER ENACTED, That, except as provided in Section
9 5 of this Act, this Act shall take effect October 1, 2025.