



Maryland

DEPARTMENT OF BUDGET
AND MANAGEMENT

LARRY HOGAN
Governor

BOYD K. RUTHERFORD
Lieutenant Governor

DAVID R. BRINKLEY
Secretary

MARC L. NICOLE
Deputy Secretary

HOUSE BILL 514 Maryland Legal Services Corporation Funding - Abandoned Property (B. Barnes)

STATEMENT OF INFORMATION

DATE: February 10, 2021

COMMITTEE: House Appropriations

SUMMARY OF BILL: HB 514 increases from \$2 million to \$8 million the amount of General Fund revenues diverted from the Abandoned Property Fund to support the Maryland Legal Services Corporation.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the diversion of \$6 million of General Fund revenues.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which requires spending allocations for FY 2022 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2020.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. Many individuals and households are unemployed or underemployed, with many industry sectors operating at much less than 100% capacity. Federal stimulus programs are providing much needed relief, but the impact of the COVID-19 pandemic continues to present a significant budgetary vulnerability.

The highest priority of the Administration is to work with the 2021 General Assembly in enacting the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496/HB 612 RELIEF Act). The RELIEF Act, as amended by the Senate, provides \$1.52 billion in direct stimulus and tax relief for Maryland working families, small businesses, and those who have lost their jobs as a result of the COVID-19 pandemic. SB 496, as amended, includes \$3 million to support the Maryland Legal Services Corporation.

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