



# Maryland

DEPARTMENT OF BUDGET  
AND MANAGEMENT

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*Governor*

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*Lieutenant Governor*

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*Deputy Secretary*

## **SENATE BILL 413 Maryland Legal Services Corporation Funding - Abandoned Property (Guzzone)**

### **STATEMENT OF INFORMATION**

**DATE:** February 2, 2021

**COMMITTEE:** Senate Budget & Taxation

**SUMMARY OF BILL:** SB 413 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 provides \$1 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. Senate amendments to SB 496 include \$3 million to support the Maryland Legal Services Corporation.

**For additional information, contact Barbara Wilkins at  
(410) 260-6371 or [barbara.wilkins1@maryland.gov](mailto:barbara.wilkins1@maryland.gov)**

