

LARRY HOGAN Governor

BOYD K. RUTHERFORD Lieutenant Governor DAVID R. BRINKLEY Secretary

MARC L. NICOLE Deputy Secretary

HOUSE BILL 724 Access to Counsel in Evictions Special Fund - Funding (B. Barnes)

STATEMENT OF INFORMATION

DATE: February 16, 2022

COMMITTEE: House Judiciary

SUMMARY OF BILL: HB 724 diverts \$11.8 million in FY 2023 from the Abandoned Property Fund to the Access to Counsel in Evictions Special Fund.

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 \$11.8 million loss in General Fund revenues. The Maryland Legal Services Corporation (MLSC) administers the Access to Counsel in Evictions Special Fund, and MLSC also receives \$8 million from the Abandoned Property Fund.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Further, economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability.

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