

HOUSE BILL 724

N1

2lr1769
CF SB 662

By: **Delegate B. Barnes**

Introduced and read first time: February 3, 2022

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Access to Counsel in Evictions Special Fund – Funding**

3 FOR the purpose of requiring the Comptroller to distribute a certain amount of certain
4 abandoned property funds to the Access to Counsel in Evictions Special Fund; and
5 generally relating to the Access to Counsel in Evictions Special Fund.

6 BY repealing and reenacting, without amendments,
7 Article – Commercial Law
8 Section 17–101(a) and (c)
9 Annotated Code of Maryland
10 (2013 Replacement Volume and 2021 Supplement)

11 BY repealing and reenacting, with amendments,
12 Article – Commercial Law
13 Section 17–317(a)
14 Annotated Code of Maryland
15 (2013 Replacement Volume and 2021 Supplement)

16 BY repealing and reenacting, without amendments,
17 Article – Real Property
18 Section 8–909
19 Annotated Code of Maryland
20 (2015 Replacement Volume and 2021 Supplement)

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

23 **Article – Commercial Law**

24 17–101.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (a) In this title the following words have the meanings indicated.

2 (c) “Administrator” means the State Comptroller.

3 17–317.

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

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

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

13 (3) (i) Subject to subparagraph (ii) of this paragraph, the Administrator
14 shall distribute all unclaimed money from judgments of restitution under Title 11, Subtitle
15 6 of the Criminal Procedure Article to the State Victims of Crime Fund established under
16 § 11–916 of the Criminal Procedure Article to assist victims of crimes and delinquent acts
17 to protect the victims’ rights as provided by law.

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

22 (4) For fiscal years 2022 and 2023, after making the distributions required
23 under paragraphs (2) and (3) of this subsection, the Administrator shall distribute \$250,000
24 from the remaining net funds to the Tax Clinics for Low–Income Marylanders Fund
25 established under § 1–206 of the Tax – General Article.

26 **(5) FOR FISCAL YEAR 2023, AFTER MAKING THE DISTRIBUTIONS**
27 **REQUIRED UNDER PARAGRAPHS (2), (3), AND (4) OF THIS SUBSECTION, THE**
28 **ADMINISTRATOR SHALL DISTRIBUTE \$11,800,000 FROM THE REMAINING NET**
29 **FUNDS TO THE ACCESS TO COUNSEL IN EVICTIONS SPECIAL FUND UNDER § 8–909**
30 **OF THE REAL PROPERTY ARTICLE.**

31 ~~[(5)]~~ **(6)** After making the distributions required under paragraphs (2),
32 (3), ~~[and]~~ (4), **AND (5)** of this subsection, the Administrator shall distribute the remaining
33 net funds not retained under paragraph (1) of this subsection to the General Fund of the
34 State.

35 **Article – Real Property**

1 8-909.

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

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

5 (c) MLSC shall administer the Fund.

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

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

10 (e) The Fund consists of:

11 (1) Money appropriated in the State budget to the Fund;

12 (2) Interest earnings of the Fund; and

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

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

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

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

24 (3) Administrative expenses of MLSC; and

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

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

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

29 (g) (1) The State Treasurer shall invest the money of the Fund in the same

1 manner as other State money may be invested.

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

3 (h) Expenditures from the Fund may be made only in accordance with the State
4 budget.

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

8 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
9 1, 2022. It shall remain effective for a period of 1 year and 6 months and, at the end of
10 December 31, 2023, this Act, with no further action required by the General Assembly, shall
11 be abrogated and of no further force and effect.