

SENATE BILL 643

C9
HB 1287/19 – ENT

3lr2605
CF 3lr2840

By: **Senator McCray**

Introduced and read first time: February 6, 2023

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Housing – Community Development Program Act – Funding**

3 FOR the purpose of requiring the Administrator of a certain abandoned property fund to
4 distribute certain funds to the Community Development Program Fund under
5 certain circumstances; altering the contents of the Community Development
6 Program Fund; repealing a certain provision providing for the construction
7 concerning the Community Development Program Act; and generally relating to the
8 Community Development Program Act.

9 BY repealing and reenacting, with amendments,
10 Article – Commercial Law
11 Section 17–317
12 Annotated Code of Maryland
13 (2013 Replacement Volume and 2022 Supplement)

14 BY repealing and reenacting, with amendments,
15 Article – Housing and Community Development
16 Section 6–606
17 Annotated Code of Maryland
18 (2019 Replacement Volume and 2022 Supplement)

19 BY repealing
20 Chapter 801 of the Acts of the General Assembly of 2018
21 Section 2

22 BY repealing
23 Chapter 802 of the Acts of the General Assembly of 2018
24 Section 2

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

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Article – Commercial Law

17–317.

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

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

(2) After deducting all costs incurred in administering this title from the remaining net funds the Administrator shall distribute:

(I) \$8,000,000 to the Maryland Legal Services Corporation Fund established under § 11–402 of the Human Services Article; AND

(II) **\$5,000,000 TO THE COMMUNITY DEVELOPMENT PROGRAM FUND ESTABLISHED UNDER § 6–606 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE.**

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

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

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

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

1 (6) After making the distributions required under paragraphs (2), (3), (4),
2 and (5) of this subsection, the Administrator shall distribute the remaining net funds not
3 retained under paragraph (1) of this subsection to the General Fund of the State.

4 (b) (1) Before making the distribution, the Administrator shall record the
5 name and last known address, if any, of the owners of funds so distributed and the type of
6 property which the funds distributed represent.

7 (2) The record shall be available for public inspection during reasonable
8 business hours by any person who claims a legal interest in any property held by the
9 Administrator, provided that the person gives prior notice to the Administrator.

10 Article – Housing and Community Development

11 6–606.

12 (a) There is a Community Development Fund.

13 (b) The purpose of the Fund is to provide financial assistance for community
14 development projects and community development organizations around the State.

15 (c) The Department shall administer the Fund with the assistance of the Board.

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

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

20 (e) The Fund consists of:

21 (1) money appropriated in the State budget to the Fund;

22 (2) **ANY MONEY DISTRIBUTED TO THE FUND UNDER § 17–317 OF THE**
23 **COMMERCIAL LAW ARTICLE;** and

24 **[(2)] (3)** any other money from any other source accepted for the benefit
25 of the Fund.

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

27 (1) administrative expenses of the Department in administering the
28 Program; and

29 (2) financial assistance for community development projects and
30 community development organizations as provided under § 6–607 of this subtitle.

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

3 (2) Any interest earnings of the Fund shall be credited to the General Fund
4 of the State.

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

7 (i) Money expended from the Fund for the Program is supplemental to and is not
8 intended to take the place of funding that otherwise would be appropriated for the Program.

9 **Chapter 801 of the Acts of 2018**

10 [SECTION 2. AND BE IT FURTHER ENACTED, That this Act may not be
11 construed to require the Department of Housing and Community Development to provide
12 staff or operating expenses for the administration of the Community Development Program
13 established under Section 1 of this Act until money is appropriated in the State budget for
14 the Community Development Fund.]

15 **Chapter 802 of the Acts of 2018**

16 [SECTION 2. AND BE IT FURTHER ENACTED, That this Act may not be
17 construed to require the Department of Housing and Community Development to provide
18 staff or operating expenses for the administration of the Community Development Program
19 established under Section 1 of this Act until money is appropriated in the State budget for
20 the Community Development Fund.]

21 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June
22 1, 2023.