

HOUSE BILL 693

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By: **Delegate Clippinger**

Introduced and read first time: January 31, 2022

Assigned to: Judiciary

A BILL ENTITLED

1 AN ACT concerning

2 **Courts – Surcharges and Payment to Special Funds**

3 FOR the purpose of increasing certain surcharges on certain fees, charges, and costs in
4 certain civil cases in the circuit courts and the District Court; requiring that certain
5 surcharges collected be deposited into the Maryland Legal Services Corporation
6 Fund and directed to certain special funds in the State; establishing the Rental
7 Assistance Special Fund as a special, nonlapsing fund; requiring interest earnings
8 of the Rental Assistance Special Fund to be credited to the Rental Assistance Special
9 Fund; and generally relating to court surcharges and payment to special funds.

10 BY repealing and reenacting, with amendments,
11 Article – Courts and Judicial Proceedings
12 Section 7–202(d) and 7–301(c)
13 Annotated Code of Maryland
14 (2020 Replacement Volume and 2021 Supplement)

15 BY adding to
16 Article – Real Property
17 Section 8–219 and 8–220
18 Annotated Code of Maryland
19 (2015 Replacement Volume and 2021 Supplement)

20 BY repealing and reenacting, without amendments,
21 Article – State Finance and Procurement
22 Section 6–226(a)(2)(i)
23 Annotated Code of Maryland
24 (2021 Replacement Volume)

25 BY repealing and reenacting, with amendments,
26 Article – State Finance and Procurement
27 Section 6–226(a)(2)(ii)144. and 145.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



Annotated Code of Maryland
(2021 Replacement Volume)

BY adding to
Article – State Finance and Procurement
Section 6–226(a)(2)(ii)146.
Annotated Code of Maryland
(2021 Replacement Volume)

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

Article – Courts and Judicial Proceedings

7–202.

(d) The State Court Administrator, as part of the Administrator’s determination
of the amount of court costs and charges in civil cases, shall assess a surcharge that:

(1) May not be more than ~~[\$55]~~ **\$85** per case; and

(2) Shall be deposited into the Maryland Legal Services Corporation Fund
established under § 11–402 of the Human Services Article.

7–301.

(c) (1) The filing fees and costs in a civil case are those prescribed by law
subject to modification by law, rule, or administrative regulation.

(2) The Chief Judge of the District Court shall assess a surcharge that[:

(i) May] **MAY** not be more than:

[1.] **(I) [\$8] \$68** per summary ejectment case, **WHICH SHALL
BE DEPOSITED AS FOLLOWS:**

1. **\$30 INTO THE ACCESS TO COUNSEL IN EVICTIONS
SPECIAL FUND;**

2. **\$30 INTO THE RENTAL ASSISTANCE SPECIAL FUND;**
and

3. **\$8 INTO THE MARYLAND LEGAL SERVICES
CORPORATION FUND ESTABLISHED UNDER § 11–402 OF THE HUMAN SERVICES
ARTICLE; AND**

[2.] (II) [\$18] \$28 per case for all other civil cases, WHICH SHALL BE DEPOSITED INTO THE MARYLAND LEGAL SERVICES CORPORATION FUND ESTABLISHED UNDER § 11-402 OF THE HUMAN SERVICES ARTICLE]; and

(ii) Shall be deposited into the Maryland Legal Services Corporation Fund established under § 11-402 of the Human Services Article].

(3) (i) In addition to the surcharge assessed under paragraph (2) of this subsection, the Chief Judge of the District Court shall assess a surcharge that may not be more than \$10 per case for the following cases filed in Baltimore City:

1. Summary ejectment;
2. Tenant holding over;
3. Breach of lease; and
4. Warrant of restitution.

(ii) The revenue generated from the surcharge on filing fees collected by the District Court in Baltimore City under subparagraph (i) of this paragraph shall be:

1. Remitted quarterly to the Baltimore City Director of Finance; and
2. Used to fund the enhancement of sheriff benefits and the increase in sheriff personnel to enhance the service of domestic violence orders.

(4) In addition to the surcharge assessed under paragraphs (2) and (3) of this subsection, the Chief Judge of the District Court shall assess a surcharge that:

(i) May not be more than:

1. \$3 per summary ejectment case; and
2. \$8 per case for all other civil cases; and

(ii) Shall be deposited into the Circuit Court Real Property Records Improvement Fund established under § 13-602 of this article.

(5) The Court of Appeals may provide by rule for waiver of prepayment of filing fees and other costs in cases of indigency.

Article – Real Property

8-219.

(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) "FUND" MEANS THE RENTAL ASSISTANCE SPECIAL FUND.

(3) "MDEC SYSTEM" MEANS THE SYSTEM OF ELECTRONIC FILING AND CASE MANAGEMENT ESTABLISHED BY THE MARYLAND COURT OF APPEALS.

(B) THERE IS A RENTAL ASSISTANCE SPECIAL FUND.

(C) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE PURPOSE OF THE FUND IS TO PROVIDE FUNDING FOR THE MARYLAND JUDICIARY TO EXPAND THE MDEC SYSTEM TO ALLOW FOR THE ELECTRONIC FILING OF ALL LANDLORD-TENANT ACTIONS.

(2) BEGINNING JULY 1, 2025, OR IF IT OCCURS EARLIER, AT THE TIME THE MARYLAND JUDICIARY NO LONGER NEEDS THE FUNDING TO EXPAND THE MDEC SYSTEM AS PROVIDED UNDER PARAGRAPH (1) OF THIS SUBSECTION, THE PURPOSE OF THE FUND SHALL BE TO PROVIDE FUNDING TO ORGANIZATIONS THAT WORK IN THE AREA OF RENTAL ASSISTANCE TO PAY THE BACK RENT FOR INDIVIDUALS FACING A POTENTIAL RESIDENTIAL RENTAL PROPERTY EVICTION.

(D) (1) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, THE MARYLAND JUDICIARY SHALL ADMINISTER THE FUND.

(2) BEGINNING JULY 1, 2025, OR IF IT OCCURS EARLIER, AT THE TIME THE MDEC SYSTEM IS EXPANDED AS PROVIDED UNDER SUBSECTION (C)(1) OF THIS SECTION, THE MARYLAND DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT SHALL ADMINISTER THE FUND.

(E) (1) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(2) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.

(F) THE FUND CONSISTS OF:

(1) MONEY APPROPRIATED IN THE STATE BUDGET TO THE FUND;

(2) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR THE BENEFIT OF THE FUND; AND

(3) INTEREST EARNINGS OF THE FUND.

(G) (1) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.

(2) ANY INTEREST EARNINGS OF THE FUND SHALL BE CREDITED TO THE FUND.

(H) EXPENDITURES FROM THE FUND MAY BE MADE ONLY IN ACCORDANCE WITH THE STATE BUDGET.

8-220.

(A) IN THIS SECTION, "MDEC SYSTEM" MEANS THE SYSTEM OF ELECTRONIC FILING AND CASE MANAGEMENT ESTABLISHED BY THE MARYLAND COURT OF APPEALS.

(B) ON OR BEFORE JULY 1, 2025, ALL LANDLORD-TENANT ACTIONS SHALL BE FILED ELECTRONICALLY IN THE MDEC SYSTEM.

Article – State Finance and Procurement

6-226.

(a) (2) (i) Notwithstanding any other provision of law, and unless inconsistent with a federal law, grant agreement, or other federal requirement or with the terms of a gift or settlement agreement, net interest on all State money allocated by the State Treasurer under this section to special funds or accounts, and otherwise entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue to the General Fund of the State.

(ii) The provisions of subparagraph (i) of this paragraph do not apply to the following funds:

144. the Health Equity Resource Community Reserve Fund;

[and]

145. the Access to Counsel in Evictions Special Fund; **AND**

146. THE RENTAL ASSISTANCE SPECIAL FUND.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2022.