

Guaranteed Access to Legal Assistance is Vital to an Equitable Eviction Review Process

Position Statement Supporting Senate Bill 154

Given before the Judicial Proceedings Committee

As Maryland braces for a rising wave of evictions due to the economic impacts of the COVID-19 pandemic, it is increasingly important to take all steps possible to keep people from becoming homeless. A recent report indicated that establishing a right to counsel in eviction cases would dramatically reduce the number of tenants displaced by eviction and yield \$35.6 million in benefits or costs avoided in Maryland.ⁱ Evictions exacerbate poverty and lead to homelessness, job loss, deteriorating health, poor education outcomes, poor credit scores, loss of assets, and increase the risk of children being placed into foster care. At least 23% of homelessness begins with an eviction.

The Maryland Center on Economic Policy supports Senate Bill 154 because more evictions following COVID-19 will risk the health of all Marylanders, further jeopardizing the state's economy, and halt pandemic recovery.

The economic and health impacts of evictions will exacerbate the effects of the COVID-19 pandemic. More households will require assistance from the state's safety net programs, which have already seen sharp increases in enrollment. Many families will not be able to comply with social distancing orders as many will have to double up with their relatives or turn to shelters for assistance. A recent study shows that states that lifted their eviction moratorium saw an increase in the number of COVID-19 cases and mortality rates.ⁱⁱ This same report also noted that people experiencing eviction were more likely to experience severe illness. Rates of both COVID-19 and eviction are higher among Black and Brown Marylanders due to barriers created the structural and institutional racism.

Ensuring people facing possible eviction have guaranteed access to a lawyer is an essential to prevent a rising wave of evictions. Even before COVID, Baltimore City had the following staggering annual statics:

- 5.3% eviction rate, which is one of the highest in the country
- 140,000 evictions filings per year, despite there only being 125,000 renter households
- 70,000 eviction warrants
- 6,500 families evicted

The impact of these high numbers of eviction cases is not shared equally. A recent study found that the number of evictions of Black women is 3.9 times more than the number of evictions of white men.ⁱⁱⁱ Cities and states across the country have already adopted right to counsel policies to address these disparities, level the playing field between landlord and tenant, and reduce evictions. If Maryland joins with the other states,

the benefits or costs avoided are estimated as follows:

- For every \$1 spent on right to counsel, there is a cost avoidance of \$6.24
- \$7.7 million reduction in foster care spending
- \$12.5 million reduction in Medicaid spending on emergency room and inpatient care
- \$2.4 million in reduced cost to Baltimore City schools transporting homeless students
- Recouping the estimated \$2.3 million in state funding lost to Baltimore City schools because of chronically absent homeless students
- \$10.6 million in lower costs for shelter, transitional housing and health institution housing for persons with disabilities.

Guaranteeing a right to counsel in eviction cases will not only level out the imbalance of power between landlords and tenants, but will ensure many families can stay in their homes and save the state money over time. **For these reasons, the Maryland Center on Economic Policy respectfully requests the Judicial Proceedings Committee to make a favorable report on Senate Bill 154.**

Equity Impact Analysis: Senate Bill 154

Bill Summary

Senate Bill 154 will ensure tenants have a right to legal representation for civil cases in Maryland, as they do for criminal cases.

Background

The economic and health impact of evictions will exacerbate the effects of the COVID-19 pandemic as households will rely more heavily on safety net programs and families will not be able to comply with social distancing orders as many will have to double up with their relatives or turn to shelters for assistance. As Maryland braces for a rising wave of evictions due to COVID-19, it is even more important to keep as many tenants as possible in their homes. A recent report, indicated that establishing a right to counsel would dramatically reduce the number of tenants displaced by eviction and yield \$35.6 million in benefits or costs avoided in Maryland. Evictions worsen poverty, and lead to homelessness, job loss, deteriorating health, poor education outcomes, poor credit scores, loss of assets, and increased risk of children being placed into foster care. At least 23% of homelessness is caused by eviction.

Equity Implications

A recent study found that the number of evictions of Black women is 3.9 times than the number of evictions of white men.

Impact

Right to counsel in eviction cases will not only level out the imbalance of power between landlords and tenants, it will ensure many families can stay in their homes, which saves the state money over time.

Legal counsel can hold landlords accountable to comply with new laws around COVID-19 to protect renters. This is crucial as the data shows that 92% of tenants with representation avoided displacement in Baltimore City. The data further showed the following:

- 80% of renters could raise a defense in eviction court, however only 8% were successful in doing this without representation
- 96% of landlords had representation in court compare to only 1% of tenants

Passing Senate Bill 154 would likely increase racial, gender, disability, and economic equity in Maryland.

ⁱ Public Justice Center (2019) The Economic Impact of a Right to Council in Baltimore City. <https://bmorerentersunited.org/rtc/stoutreport/>

ⁱⁱ Senate Judicial Proceedings Committee Workgroup Report on Covid-19 and Housing http://mgaleg.maryland.gov/Pubs/Committee/2020-Senate_JPR_Committee_Workgroup_Report_on_COVID-19_and_Housing.pdf

ⁱⁱⁱ Thomas, T. (PhD) Baltimore Evictions Study. <https://evictions.study/maryland/report/baltimore.html>