

Access to Legal Representation Would Reduce Evictions and Create a More Equitable Process

Position Statement Supporting House Bill 18

Given before the Judiciary Committee

As Maryland braces for a rising wave of evictions due to COVID-19, it has become increasingly important to keep their tenants in their home. 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 cause poverty, drive 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 is caused by eviction. **The Maryland Center on Economic Policy supports House Bill 18 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 impact of evictions will exacerbate the effects of the COVID-19 pandemic as households will rely heavily on safety net programs and families will have a harder time complying with health guidelines, as many will have to double up with their relatives or turn to shelters for assistance. A recent analysis shows that states that lifted their eviction moratoriums saw an increase in the number of COVID-19 cases and mortality rates.ⁱⁱ This same report also noted that the cases associated with eviction were severe, which is plausible giving what we know currently about COVID-19 rates in communities of color and the structural and institutional racism that makes people of color more likely to face eviction.

Right to counsel is an essential part of COVID-19 relief to prevent a rising wave of evictions. Even before COVID, Baltimore City had the following staggering annual statistics:

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

A recent study found that the number of evictions of Black women is 3.9 times higher than the number of evictions of white men.ⁱⁱⁱ Cities and states across the country have already adopted the right to counsel as one step to address this disparity, leveling the playing field between landlord and tenant and stopping unjust evictions. If Maryland should join with the other states and pass the right to counsel in eviction cases, 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 in reduced foster care spending
- \$12.5 million in reduced Medicaid spending on emergency room and inpatient care
- \$2.4 million in reduced cost to Baltimore City schools for transporting homeless students
- Gain of \$2.3 million in state funding now lost to Baltimore City schools because of chronically absent homeless students
- \$10.6 million in reduced 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 Judiciary Proceedings Committee to make a favorable report on House Bill 18.**

Equity Impact Analysis: House Bill 18

Bill Summary

House Bill 18 will establish a right to counsel for eviction cases in Maryland.

Background

The economic and health impact of evictions will exacerbate the effects of the COVID-19 pandemic as households will rely 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 has become increasingly important to keep their tenants 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 cause poverty, drive 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 is caused by eviction.

Equity Implications

A recent study found that the number of evictions of Black women is 3.9 times the number of evictions of white men. This disparity makes eviction a civil rights issue.

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.

Legal counsel holds 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

Impact

House Bill 18 would likely **improve racial, ethnic, gender, 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>