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## TESTIMONY OF SENATOR SHELLY HETTLEMAN SB 154 - ACCESS TO COUNSEL IN EVICTIONS - TASK FORCE AND SPECIAL FUND

SB 154 represents a critical step in ensuring that Maryland continues its leadership in addressing housing inequities by extending the funding and restructuring the oversight framework for the Access to Counsel in Evictions (ACE) Program and Task Force.

The ACE Program has already demonstrated its transformative impact. According to recent data, 88% of tenants who sought to remain in their homes were able to do so with the support of the program. In fiscal year 2024 alone, the ACE Program closed 8,894 cases—a 124% increase from the previous year—providing much-needed legal representation to thousands of Maryland residents. Without legal counsel, between 51-75% of tenants typically lose their cases, often resulting in eviction. In contrast, 84% of ACE clients achieved their case goals, highlighting the program's effectiveness in leveling the playing field in eviction proceedings.

This program is particularly important for Maryland's most vulnerable populations. About 73% of ACE clients identify as Black or African American, 72% are women, and 56% of female clients have at least one child in their household. Alarmingly, 39% of tenants reported that eviction would likely result in homelessness for their families. By addressing these disparities, the ACE Program ensures that our justice system works for all Marylanders, not just those with the resources to hire legal representation.

The economic benefits of the program further underscore its value. Analysis from Stout consultants estimates that for every \$1 spent on the ACE Program, Maryland realizes \$4 in economic benefits, including savings of \$21.6 million in social safety net costs and \$6.8 million in additional Medicaid spending. By preventing disruptive displacement, the program has helped over 5,600 households avoid eviction, preserving economic stability and employment for thousands of Marylanders.

SB 154 builds on and secures the proven success of the ACE Program. Specifically, it extends the Governor's annual appropriation of \$14 million from the Access to Counsel in Evictions Special Fund to the Maryland Legal Services Corporation (MLSC) through fiscal year 2028. This ongoing funding commitment is critical to maintaining and expanding access to legal counsel for tenants statewide. MLSC will continue to administer the ACE Special Fund and oversee the distribution of funds to legal service providers.

In addition to extending funding, SB 154 adjusts and continues the ACE Task Force. As agreed upon by amendment, the Task Force is chaired by the designee of the Secretary of the Department of Housing and Community Development (DHCD), and DHCD provides staff support and selects membership. The Task Force continues its responsibilities of evaluating the provision of ACE services, studying potential funding sources, and making policy recommendations to strengthen the program's impact. To ensure equitable participation, the bill now authorizes reasonable compensation, including stipends, for tenant members whose income is no more than 50% of the state median income adjusted for household size, ensuring the voices of those directly impacted by eviction are heard.

As evictions in Maryland return to pre-pandemic levels and housing costs continue to rise, the ACE Program provides a lifeline for tenants, especially those facing systemic barriers to housing stability. I urge a favorable report on SB 154 to guarantee the program's long-term sustainability and continued impact. We can solidify Maryland's commitment to justice, equity, and economic stability for all its residents.