SB413 MLSC Written Testimony.pdf Uploaded by: Erlichman, Susan

Position: FAV



Testimony Concerning SB 413 "Maryland Legal Services Corporation Funding - Abandoned Property" Submitted to the Senate Budget and Taxation Committee Hearing Date: February 2, 2021

Position: Support

Contact: Susan Erlichman, Executive Director, 410-576-9494 x1005, serlichman@mlsc.org

Maryland Legal Services Corporation requests a favorable report on SB 413, which would increase MLSC's annual distribution from the Abandoned Property Fund from \$2 million to \$8 million.

MLSC's mission is to ensure low-income Marylanders have access to stable, efficient and effective civil legal assistance through the distribution of funds to nonprofit legal services organizations. It currently funds 36 organizations to work toward that mission across the entire state. The Maryland General Assembly created MLSC in 1982 to administer the state's Interest on Lawyer Trust Accounts (IOLTA) program, and since that time MLSC grantees have assisted nearly 3.7 million Marylanders with a wide variety of civil legal needs.

The Maryland General Assembly identified the Abandoned Property Fund as a funding source for MLSC in 1984. At that time, the distribution to MLSC accounted for approximately 17% of Abandoned Property Fund annual revenue, whereas the enactment of SB 413 would direct less than 7% of the Fund's current annual revenue to MLSC.

MLSC's two major revenue sources – IOLTA and surcharges on certain court filing fees – were significantly reduced by the COVID-19 pandemic due to near zero interest rates and a dramatic decrease in court filings. The Federal Reserve has indicated they will keep interest rates near zero for several more years, meaning that MLSC cannot rely on IOLTA as a significant source of funding for civil legal aid into the foreseeable future.

MLSC is therefore facing a dire funding situation that could require significant cuts to grants beginning in fiscal year 2022. Due to the inverse relationship between the economy and MLSC's statutory funding sources, we currently project that our FY22 income will be at least \$6 million lower than pre-pandemic levels – a loss of about 30%. At the same time, Marylanders will continue to turn to legal services providers for help with their legal problems, many of which have been exacerbated due to the effects of COVID-19.

Established nonprofit legal aid providers can help Marylanders navigate challenges caused or exacerbated by the pandemic. These providers help with a wide range of issues, including eviction and foreclosure; protection from domestic violence and elder abuse; bankruptcy and debt collection; child support and custody; and access to unemployment, health and other benefits. The pandemic has made these issues even more prevalent and complicated. Having an experienced advocate can make a tremendous difference for a low-income Marylander who, if not for civil legal aid, would be forced to navigate the legal system alone.

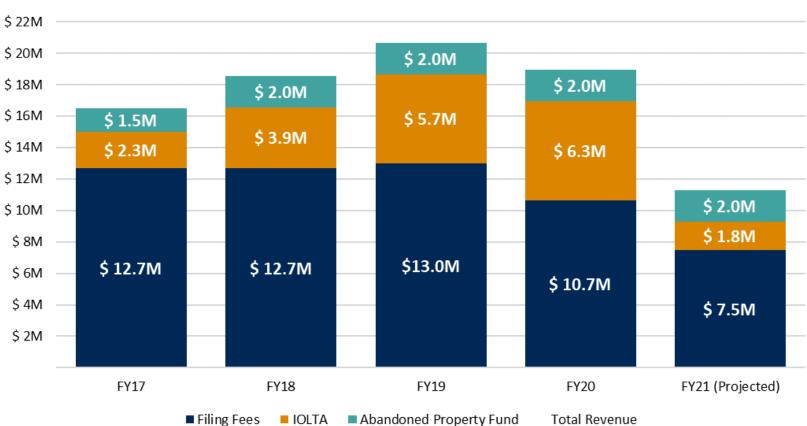
Providing more funding through the Abandoned Property Fund will mean Maryland's civil legal aid delivery system can sustain vital services that affect housing, economic stability, physical safety and more. Not only do these services help people in need, but they also reduce strain on the court system and streamline interactions with state agencies, saving valuable time and funds.

In fact, multiple studies have shown that every dollar invested in civil legal services results in a \$6 return in the form of economic activity, cost savings and increased productivity – a total return of hundreds of millions of dollars each year. Investing in civil legal aid is the kind of stimulus our economy and Maryland families need amid this crisis.

When the Maryland General Assembly created MLSC in 1982, they found, among other things, that "there is a need to provide equal access to the system of justice for individuals seeking redress of grievances" and that "the funding of legal assistance programs for those who are unable to afford legal counsel will serve the ends of justice and the general welfare of the public." SB 413 would be an important tool in stabilizing Maryland's civil legal aid delivery system and serving the ends of justice.

MLSC urges favorable consideration of SB 413.

Appendix: MLSC Fund Projected Revenue



MLSC Fund Revenue: FY17-FY21 (Projected)

SB 413_HPRP_FAV.pdf Uploaded by: Fasanelli, Antonia Position: FAV

SB 413: Maryland Legal Services Corporation Funding – Abandoned Property - SUPPORT

Testimony of Antonia K. Fasanelli, Executive Director Homeless Persons Representation Project, Inc. February 2, 2021 Senate Budget & Taxation Committee

Homeless Persons Representation Project, Inc. (HPRP) is a non-profit provider of civil legal aid to people who are homeless or at risk of homelessness on legal issues that will lead to an end to homelessness.

HPRP envisions an end to homelessness in Maryland and provides free legal services, including advice, counsel, education, representation and advocacy, for low-income persons who are homeless or at risk of homelessness on legal matters that are likely to result in obtaining or maintaining housing, income or eliminating barriers to employment, such as criminal records. HPRP offers legal services in the community, including in shelters, soup kitchens, community centers, and government offices, including three of Maryland's VA Medical Centers. HPRP has two offices, a headquarters in Baltimore City and a satellite office in Silver Spring, Montgomery County. Through these offices, HPRP's attorney and paralegal staff and a volunteer corps of over 450 volunteers serve clients through legal clinics in Cecil, Prince George's, Montgomery and St. Mary's Counties, as well as Baltimore City. HPRP is a grantee of the Maryland Legal Services Corporation (MLSC) and MLSC funding constitutes 30% of HPRP's annual budget. MLSC funding is critical to maintain our staff in order to respond to the legal needs of persons struggling with homelessness.

HPRP response to Covid-19 Pandemic

Need for safe shelter: 2020 has been a year unlike any other. As the COVID-19 pandemic wreaked havoc on our entire state, we watched as our clients living in congregate emergency shelters lived in fear of exposure and even death. HPRP, along with many partners, advocated for the use of hotels for persons experiencing homelessness, but sufficient hotel space has not been forthcoming. On December 20, 2020, one day before National Homeless Persons Memorial Day, two women died on the streets of Baltimore from exposure as our requests for more hotel space languished.¹ They were not alone in their fate.

Hunger: While a home was the top need of our clients, hunger soon followed and became the top legal issue for our office. **HPRP's Economic Justice Project is the primary provider of free legal representation to persons denied or cut-off from the SNAP (Supplemental Nutrition Assistance Program), commonly known as food stamps.** The state Department of Human Services computer system, which has not caught up with the pandemic, began terminating families from SNAP/food stamps beginning April 1, 2020. Some families were sent letters asking them to attend meetings at then-closed Social Services offices and other families were terminated outright. For two days in April, our office received over 100 calls for legal help restoring SNAP benefits or identifying free food resources. HPRP responded by establishing a toll-free bilingual statewide SNAP Legal Help Hotline. The Hotline operates four (4) days per week and creates quick access to HPRP's attorneys, who represent persons denied SNAP before the Maryland Department of Human Services. HPRP's SNAP legal cases during the first three months of the pandemic (March 1 - May 28, 2020) constituted 140% of its entire caseload during the entirety of calendar year 2019 and the pace has only

¹ L. Krauss, <u>She helped other homeless people stay warm, then died in the cold herself</u>, Balt. Brew (Dec 20, 2020) available at https://www.baltimorebrew.com/2020/12/20/she-helped-other-homeless-people-stay-warm-then-died-in-the-cold-herself/

continued with some months seeing over 150 calls. By December 2020, HPRP had received so many requests for SNAP legal help it could not keep pace with the need and had to close intake, which HPRP would not have had to do had MLSC revenues provided level funding for the current fiscal year.²

Eviction Prevention: HPRP attorneys represent tenants in court eviction proceedings and in administrative hearings at housing authorities in Baltimore City and Montgomery County. To respond to the current housing crisis, in September 2020, HPRP doubled the size of its eviction defense practice adding an eviction defense attorney in Montgomery County and a third eviction defense attorney in Baltimore City. When courts reopened at the end of August, 2020, HPRP attorneys were in court weekly preventing unlawful evictions.

Veterans' Legal Assistance: Since 2008, HPRP has operated the statewide **Veterans' Legal Assistance Project (VLAP)**, a nationally recognized program based at three of Maryland's VA Medical Centers in Cecil and Montgomery Counties, as well as Baltimore City, along with Three Oaks Center in St. Mary's County. Last fiscal year (July 1, 2019-June 30, 2020), **HPRP recovered over \$355,000 in wrongfully denied VA benefits** for Maryland veterans including a recovery of over \$100,000 for a veteran of the Marine Corps who was facing foreclosure and would have lost his home in the early months of the pandemic had the VA not awarded and issued payment.

Filling the Gap when Other Civil Legal Aid Organizations Close

The economic downturn has affected so many businesses in Maryland and civil legal aid is no exception. In mid-June 2020, HPRP learned that Alternative Directions Inc. (ADI), the only civil legal aid program in Maryland serving justice involved persons since 1979 was closing due to reduction of MLSC and other revenue. HPRP responded immediately calling upon our partners, Maryland Volunteer Lawyers Service, Mid-Shore Pro Bono and the Women's Law Center to divide amongst the four organizations the hundreds of open and pending legal matters in the areas of divorce, child support and expungement that existed when ADI closed its doors. We took these cases on a volunteer basis, without additional or new funding, in order to ensure that ADI's clients did not lose their rights with ADI's closure.

Commitment of Civil Legal Aid Staff

Across the state, civil legal aid attorneys, paralegals and support staff have devoted their lives to saving the lives of some of the most vulnerable Maryland residents. They did this work often without safe access to clients or courts, through poor internet connections, and other challenging life circumstances such as lack of child care for their own children and ill family members.

For all these reasons, Maryland needs these lawyers. **SB 413 is critical to maintain the civil legal aid system delivery system. SB 413 will not increase our capacity, it will only hold the line against further cuts and project closures.** We urge you to issue a <u>Favorable Report on SB 413</u>, so that the existing legal teams may continue their important work.

² Due to reduced FY 21 (July 1, 2020 – June 30, 2021) MLSC revenue, MLSC was required to reduce funding by at least 9% to all grantees.

MLSC Testimony.pdf Uploaded by: Gerus, Cooper Position: FAV



Cooper Gerus, *President*, UBSPI University of Baltimore School of Law 1401 N Charles St Baltimore, MD 21201

Dear Members of the Senate Budget and Taxation Committee,

This letter serves as my testimony in support of Senate Bill 413, which would increase the Maryland Legal Services Corporation's (MLSC) annual distribution from the Abandoned Property Fund. I am grateful to Chair Guzzone for the opportunity to submit written testimony, and to all of the Committee members for their consideration of this vital enactment.

As the 2020-2021 president of the University of Baltimore Students for Public Interest (UBSPI), I have seen firsthand the impact of MLSC's work for public interest-minded law students in the Baltimore community and across the state. Funds awarded by MLSC through their host organizations ensure that law students have the means to support themselves while pursuing work in the public interest field. Law students' involvement in public interest is aimed at "helping the less fortunate and underprivileged obtain equal representation in the justice system." These words are borrowed from UBSPI's mission statement.

Through my time in law school and as president of UBSPI, I have helped facilitate the distribution of six MLSC Fellowships annually. I have personally benefitted from public interest funds awarded through a different source. Students who successfully apply for MLSC funds at UB use this money to support themselves while working 400 hours over ten weeks during the summer break. Beneficiaries of MLSC funds at UB have worked for Disability Rights Maryland, the Homeless Persons Representation Project (HPRP), Maryland Legal Aid, and the Tahirih Justice Center, among other crucial organizations.

While public interest organizations are critical to delivering legal aid to underserved communities, summer public interest opportunities for law students are often unpaid. This is an unfortunate reality that forces students to make difficult choices when considering their path through law school and future career goals, and has led to a decreasing number of law students who embark on a path to public service. Funds awarded through MLSC enable students to pursue their passion for the public interest by providing financial security through the funds awarded. MLSC has inspired law students on their path to careers in public service. The impact of MLSC is widely felt among students who they have helped and in communities that they have served.

It is critical that the General Assembly increase the amount of money allocated to MLSC so that UB can continue to offer paid public interest opportunities and to meet the legal needs of the underserved, especially in the wake of a pandemic. I urge the Committee to please consider increasing the annual distribution allocated to MLSC through the Abandoned Property Fund.

Sincerely,

Cooper Gerus Cooper Gerus

SB413 Testimony of the Maryland Volunteer Lawyers Uploaded by: Hennen, Amy

Position: FAV



EXPANDING ACCESS TO JUSTICE FOR 40 YEARS

Susan Francis EXECUTIVE DIRECTOR

BOARD OF DIRECTORS

Anthony P. Ashton *PRESIDENT*

Michael S. Clevenger VICE PRESIDENT

Alexandria K. Montanio *TREASURER*

David G. Sommer SECRETARY

Kerby Baden Matthew M. Bryant Jhonell Campbell Richard L. Costella Namha Edwards Karen E. H. Gouline Robert N. Grossbart Kamil Ismail Reba Letsa Michelle N. Lipkowitz Michael March Amy M. McClain Dana W. McKee Penny J. Minna Charles J. Morton, Jr. Derek P. Roussillon Martin H. Schreiber II Dennis J. Shaffer Allison Baker Shealy James Tansey

MARYLAND SENATE BUDGET AND TAXATION COMMITTEE TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE IN SUPPORT OF SB413: MARYLAND LEGAL SERVICES CORPORATION FUNDING –ABANDONED PROPERTY TUESDAY, FEBRUARY 2, 2021

Chairman Guzzone and distinguished members of the Committee, thank for the opportunity to provide written testimony in support of SB 413.

My name is Susan Francis and I am the Executive Director of the Maryland Volunteer Lawyers Service (MVLS). Founded in 1981, Maryland Volunteer Lawyers Service (MVLS) is the state's largest and oldest provider of pro bono civil legal services to Marylanders facing financial hardship. Since then, our statewide panel of over 1,600 volunteer attorneys and tax professionals has helped over 100,000 Marylanders resolve legal disputes from divorce and child custody to foreclosure prevention. In FY20, MVLS volunteer lawyers provided legal services to 4,459 Marylanders unable to afford a lawyer and affected 10,013 people in their households. The value of their volunteer hours was over \$6 million.

Our volunteers are part of an even larger network of pro bono efforts by Maryland lawyers. According to the most recent statewide statistics available from the Maryland Court of Appeals, 39.7 percent of all Maryland lawyers volunteered 1,229,131 hours and gave \$7.5 million in charitable contributions to legal services organizations that serve low-income Marylanders. As these figures reflect, the private bar in Maryland generously supports pro bono legal services. Unfortunately, the legal needs of low-income Marylanders far exceed the capacity of the private bar and other legal services organizations to meet that need. Pro bono programs and other legal services programs currently meet just twenty-two (22) percent of the need for legal services in Maryland. Providing access to justice for the remaining seventy-eight (78) percent of Marylanders who need a lawyer but are unable to afford one will require much more support.

Operating an effective pro bono program requires reliable funding. MVLS maintains a small staff of 29 lawyers, intake paralegals, administrative support and development staff. The infrastructure needed to screen over 450-500

201 N. Charles St., Suite 1400, Baltimore, MD 21201 | mvlslaw.org | 410-539-6800 | Intake 410-547-6537 or 800-510-0050

Maryland Volunteer Lawyers Service (MVLS) connects low-income Marylanders with volunteer lawyers and community partners to deliver free civil legal assistance because there should be justice for all, not just for those who can afford it.

potential clients a week for program eligibility is costly and includes a cloud-based for case management system and VOIP phone system with a call center. Our staff lawyers train and mentor volunteer lawyers and supervise our paralegal staff. They also provide direct legal services on matters including housing issues, consumer debt, bankruptcy, criminal record relief, estate planning and administration and tax disputes. Our paralegals handle client intake and are responsible for placing cases with our panel of volunteer attorneys.

MVLS receives 41 percent of its funding from MLSC, the remainder of our \$3 million budget we raise from individual donors, corporate sponsorships, foundations and government grants. MLSC currently projects fiscal year 2022 revenue to come in at least \$6 million lower than pre-pandemic levels. However, the need for free legal services only continues to increase as Marylanders struggle with unemployment and risk of homelessness, under the weight of the Covid-19 pandemic. This pandemic as well as the ensuing financial devastation is disproportionately affecting communities of color, who were already often left behind by the justice system. With interest rates remaining low, Interest on Lawyers Trust Accounts (IOLTA) are providing little to no income to MLSC. An increase in filing fee surcharges would allow Maryland legal services providers to continue to help the flood of residents facing financial hardship that will come through our doors in the next months and years.

All Marylanders-regardless of their economic circumstances-deserve access to our courts and should be able to receive quality legal representation when needed. Unless MLSC receives adequate funding, MVLS and the 35 other legal services organizations that MLSC funds will be unable to provide even modest levels of access. As our clients frequently tell us, legal representation is often life changing. We support SB413 because it will provide critically important funding to programs like ours which are essential to ensuring that those that can't afford an attorney aren't left to navigate complex judicial matters on their own.

Chairman Guzzone and members for the Committee, thank you for the opportunity to provide written testimony.

201 N. Charles St., Suite 1400, Baltimore, MD 21201 | mvlslaw.org | 410-539-6800 | Intake 410-547-6537 or 800-510-0050

MAP - SB 413- MLSC Abandoned Property - Support.pd Uploaded by: Jefferson , Stacey

Position: FAV



Member Agencies:

Advocates for Children and Youth Baltimore Jewish Council Behavioral Health System Baltimore CASH Campaign of Maryland **Catholic Charities** Episcopal Diocese of Maryland Family League of Baltimore Fuel Fund of Maryland Health Care for the Homeless **Homeless Persons** Representation Project Job Opportunities Task Force League of Women Voters of Maryland Loyola University Maryland Maryland Catholic Conference Maryland Center on Economic Policy Maryland Community Action Partnership Maryland Family Network Maryland Hunger Solutions Paul's Place Public Justice Center St. Vincent de Paul of Baltimore Welfare Advocates **Marylanders Against Poverty**

Stacey Jefferson, Co-Chair P: 410-637-1900 ext 8578 C: 443-813-9231 E: <u>stacey.jefferson@bhsbaltimore.org</u>

Julia Gross, Co-Chair P: 410-528-0021x6029 E: jgross@mdhungersolutions.org

TESTIMONY IN SUPPORT OF SB 413

Maryland Legal Services Corporation Fund – Abandoned Property

Senate Budget and Taxation Committee February 2, 2021

Submitted by Stacey Jefferson and Julia Gross, Co-Chairs

Marylanders Against Poverty (MAP) strongly supports SB 413, which increases – from \$2,000,000 to \$8,000,000 – the amount that the State Comptroller is required to distribute to the Maryland Legal Services Corporation Fund from certain abandoned property funds. Funds deposited in the Maryland Legal Services Corporation (MLSC) Fund supports civil legal services to clients with low-incomes.

MLSC grantees provide essential civil legal services to low-income

Marylanders. MLSC currently funds 36 nonprofit civil legal organizations across the state who assist clients with access to benefits, eviction assistance, foreclosure, bankruptcy, child custody, immigration, civil rights, and more. It is the clients who would be most at-risk in court that benefit from the services supplied by MLSC grantees, and unfortunately the need is far greater than the resources to assist. In FY 2019 alone, MLSC grants resulted in more than 283,352 individuals receiving needed legal assistance. MLSC funds are a critical part of maintaining Maryland's civil legal services safety-net for those struggling to make ends meet.

Without increasing the amount of money the MLSC fund receives from abandoned property funds, the legal needs of Maryland's most vulnerable will not be met. Two of MLSC's major funding sources – the Interest on Lawyer Trust Accounts (IOLTA) program and court filing fee surcharges – were significantly reduced by the COVID-19 pandemic due to near zero interest rates and a dramatic decrease in the number of court filings. Due to this, MLSC currently projects fiscal year 2022 revenue to come in at least \$6 million lower than pre-pandemic levels. At the same time, demand for civil legal services has skyrocketed during the pandemic. Without additional revenue from places like abandoned property funds, MLSC would have to provider fewer grants – or smaller grants – to the nonprofits they support, which reduces the number of low-income individuals and families who can access needed legal assistance.

It is imperative to create and maintain sustained MLSC funding. Without changes, the loss of revenue for MLSC would be a devastating blow to the ability of low-income constituents to seek legal advice and assistance when their basic needs are at stake. MLSC funding helps Marylanders living in or near poverty navigate the vagaries of the legal system with efficient and effective legal assistance, ultimately creating more justice in our legal systems.

For these reasons, MAP strongly urges a FAVORABLE report on SB 413 and appreciates your consideration.

Marylanders Against Poverty (MAP) is a coalition of service providers, faith communities, and advocacy organizations advancing statewide public policies and programs necessary to alleviate the burdens faced by Marylanders living in or near poverty, and to address the underlying systemic causes of poverty.

MLSC - MCASA - aban prop - testimony - senate - Uploaded by: Jordan, Lisae C

Position: FAV





Working to end sexual violence in Maryland

P.O. Box 8782 Silver Spring, MD 20907 Phone: 301-565-2277 Fax: 301-565-3619

For more information contact: Lisae C. Jordan, Counsel 443-995-5544 www.mcasa.org

Testimony Supporting Senate Bill 413 Lisae C. Jordan, Executive Director & Counsel February 2, 2021

The Maryland Coalition Against Sexual Assault (MCASA) is a non-profit membership organization that includes the State's seventeen rape crisis centers, law enforcement, mental health and health care providers, attorneys, educators, survivors of sexual violence and other concerned individuals. MCASA includes the Sexual Assault Legal Institute (SALI), a statewide legal services provider for survivors of sexual assault. MCASA represents the unified voice and combined energy of all of its members working to eliminate sexual violence. We urge the Budget and Taxation Committee to report favorably on Senate Bill 413.

Senate Bill 413 – Maryland Legal Services Corporation Funding – Abandoned Property Fund The Maryland Legal Services Corporation (MLSC), together with many bar and community leaders, is urging the General Assembly to enact Senate Bill 413. This bill would allocate additional funds from Maryland's abandoned property fund to help maintain Maryland's legal services safety net.

MCASA's Sexual Assault Legal Institute (SALI) receives significant funding from the Maryland Legal Services Corporation. With this support, SALI serves low-income victims of sexual assault all over the State. SALI uses MLSC funding to support attorneys and advocates in cases including school & education issues, peace orders, protective orders (including for incest), Uvisas to allow immigrant victims to stay in the US and assist with prosecution, privacy matters, and other matters arising from the sexual assault or abuse. MLSC funding is especially critical in child sexual abuse cases.

COVID is increasing the need for legal services.

Perpetrators are emboldened by the pandemic. They are using the pandemic to gain or renew access to victims, intimidate survivors into silence, and interfere with survivors' attempts to seek safety and justice. Sexual assault survivors are dealing with the "paradox of social distancing," increasing economic instability, homelessness, job loss, mental health needs, amplified trauma, and isolation. This crisis has led not only to an increase in the number of survivors seeking services, but to an increase in the number of services survivors seek.

The need for legal services is increasing. At the Sexual Assault Legal Institute,

183 survivors were helped in December 2019318 survivors were helped in December 2020

This increase of 135 cases December to December is a result of the COVID pandemic.

Sexual assault and child sexual abuse can impact a wide array of legal issues.

Examples of MLSC-funded cases at SALI include the following (identifying information has been changed to protect privacy):

"Gina", ten year old girl, was sexually assaulted by her step-father and step-uncle on separate occasions. Gina is autistic and has challenges communicating. Since the incidents she has had sleep disorders, shows signs of disassociation, and has begun therapy and counseling. Despite her disability, Gina was able to help prosecute and convict both perpetrators in Frederick County Circuit Court. Gina and her mother were in the U.S. without documentation. After the criminal case was completed they went to the local rape crisis center which referred Gina and her mother to SALI. A SALI attorney worked with the clinicians helping Gina and documented the abuse and its effects. The attorney then obtained law enforcement certification verifying that Gina and her mother helped prosecute a violent criminal. With this documentation as support, a petition for a U-visa was filed and granted. Now Gina and her mother are in America legally and continuing to work to heal from Gina's sexual abuse.

"Jennifer" is a 12 year old girl who was fondled by her biological father while visiting him in Prince George's County. After she her mother about the abuse, the mother filed a Petition for a Protective Order and reported the abuse to the police. She was referred to SALI by both the local sexual assault program and through the written information police provide to all crime victims. A SALI advocate performed and intake and provided safety planning; the case was then assigned to an attorney. The SALI attorney advised Jennifer's mother about her options and discussed how a civil protective order proceeding could impact the criminal case. The SALI attorney then provided representation in the protective order case, preparing three witnesses to testify: the victim, her mother, and a babysitter who was the first to hear about the abuse. Fortunately, the SALI attorney negotiated a consent order, so the child was spared having to testify. Keeping witnesses off the stand also helps protect the criminal case by reducing opportunities for impeachment. While the protective order was entered without a trial, it was strong: it ordered that the perpetrator stay away from the victim, granted the mother custody and provided for no visitation between the perpetrator and the victim. After the order was entered on the record, officers immediately arrested the perpetrator and he was detained pending his criminal trial.

"James", a 7 year old boy in Anne Arundel County, lived in public housing with his family. One day a 13 year old boy who also lived in the housing project took James and another boy into the woods and sexually assaulted them. After telling his mother and the police what happened, James became afraid to leave the house. James's mother, "Linda", contacted SALI for assistance in having the family transferred to another public housing project. Page 3 – MCASA/SALI In support of SB856 February 2, 2021

SALI advocated with the Anne Arundel Housing Commission on the family's behalf. The family was moved to the top of the waiting list and was placed in a new apartment as soon as one became available, instead of enduring a long waiting process (months instead of potentially 1-2 years). By the time the family was moved, the date to register new students in the new school district had passed. SALI again intervened by contacting the new school district and advocating that the family be able to register late due to the extenuating circumstances. The children were soon successfully enrolled and a victim of child sexual abuse is able to continue his recovery.

Legal services like those described above are a vital part of Maryland's safety net for children, women, and men victimized by sexual violence. As our State searches for ways to respond to sex offenses, we must continue to remember individual victims and all of their needs, including their need for legal services.

MCASA member programs across Maryland use MLSC funding to help survivors of sexual assault, domestic violence, and child abuse. In addition to SALI, these programs include the Life Crisis Center on the Lower Eastern Shore, the Southern Maryland Center for Family Advocacy, Citizens Assisting and Sheltering the Abused in Washington County, Heartly House in Frederick, HopeWorks in Howard, Sexual Assault/Spousal Abuse Resource Center (SARC) in Harford County, and others. Together, these programs provide legal services for over 7500 victims and survivors annually.

Without the support of the Maryland Legal Services Corporation and the programs it funds, low-income victims and survivors would often have no access to the legal services needed to recover, heal, and have access to justice.

The Maryland Coalition Against Sexual Assault and its Sexual Assault Legal Institute urges the Budget and Taxation Committee to report favorably on Senate Bill 413

Maryland Catholic Conference_FAV_SB413.pdf Uploaded by: Kraska, Jenny

Position: FAV



ARCHDIOCESE OF BALTIMORE **†** ARCHDIOCESE OF WASHINGTON **†** DIOCESE OF WILMINGTON

February 02, 2021

Senate Bill 413

Maryland Legal Services Corporation Funding – Abandoned Property

Senate Budget & Taxation Committee

Position: SUPPORT

The Maryland Catholic Conference represents the mutual public-policy interests of the three (arch)dioceses serving Maryland, including the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington. We offer this testimony in support of Senate Bill 413.

Senate Bill 413 would provide for increasing the amount of certain abandoned property funds that the Comptroller is required to distribute each year to the Maryland Legal Services Corporation Fund(MLSC). MLSC currently provides funding to 36 nonprofit civil legal aid organizations across the state. One of the recipients of this funding is Catholic Charities' of the Archdiocese of Washington Immigration Legal Services Program, a long-standing provider of legal services in Maryland.

The funds that are provided play a vital role in protecting and assisting low-income foreign-born residents of Maryland. As Pope Francis has remarked, "Each individual Christian and every community is called to be an instrument of God for the liberation and promotion of the poor, and for enabling them to be fully a part of society. This demands that we be docile and attentive to the cry of the poor and to come to their aid." The work of organizations such as Catholic Charities' Immigration Legal Services Program is vital to providing aid to those in our communities who need it most, especially during these very difficult times.

Senate Bill 413 is an important and much needed bill to enhance essential funding to MLSC which is a source of funding for legal aid providers to continue providing life-changing services to those most in need.

For these reasons, we urge a favorable report on Senate Bill 413.

MSPB Written Testimony_SB413.pdf Uploaded by: Lathbury Girard, Meredith

Position: FAV



Connecting Low-Income Individuals and Families who need Civil Legal Services with Volunteer Attorneys and Community Resources

BOARD OF DIRECTORS

Timothy Abeska, Esq. Holland Brownley, Esq. Sarah Dahl, Esq. Tawes Harper Robin K. Henley, Esq. Jennifer Moore Stephanie A. Shipley, Esq. Judith Showalter, Esq. Michael Starling Ray Veatch. Esq. Brenda Walls

EXECUTIVE DIRECTOR

Sandy Brown

8 SOUTH WEST STREET EASTON, MARYLAND 21601 PHONE: 410-690-8128 FAX: 443-385-0210 WWW.MIDSHOREPROBONO.ORG

BILL NO:	SB413 - Maryland Legal Services Corporation Funding – Abandoned Property
COMMITTEE:	Budget and Taxation Committee
FROM:	Mid-Shore Pro Bono, Inc.
POSITION:	SUPPORT

Mid-Shore Pro Bono (MSPB) recommends a favorable report on SB413. By increasing the amount of financial resources eligible to be supplied by the Maryland Legal Services Corporation Fund from \$2 million to \$8 million, this bill would provide critical funding needed to respond to skyrocketing demand for legal services that are sought during COVID by underserved populations throughout our state.

Mid-Shore Pro Bono, Inc. is a Maryland nonprofit that connects low-income clients throughout Maryland's Eastern Shore with essential community resources. Each year, MSPB helps over 3,000 of our community's most vulnerable people access the legal system in times of need. Our network of volunteer lawyers provides free legal services on family law, landlord/tenant, mortgage foreclosure, elder law, consumer debt, and immigration. These services help families gain financial and housing stability and create safe, secure home environments for children, which is especially important in times of crisis.

Since the COVID-19 emergency began, the number of family law services requests our organization has received has tripled. Urgent requests from people who have or are about to lose their homes have also spiked. Due to crisis levels of job and wage loss, many more households now qualify for free legal services, far outpacing our ability to serve them. As demand for help explodes, our ability to respond is diminished because proceeds keyed to low interest rates and decreased collection of court fees leaves our community with less resources when we need more.

MSPB relies on funding through the Maryland Legal Services Corporation to ensure that we have staff resources to conduct intakes, recruit volunteer attorneys, and place and manage cases. Significant reduction in this funding would directly result in a reduction in MSPB's capacity to provide vital legal assistance. Increasing the distribution of funding to the Maryland Legal Services Corporation from the Abandoned Property fund would ensure stability in delivery of legal services to individuals and families in dire financial and legal distress due to the pandemic.

For these reasons, MSPB urges the Budget and Taxation Committee's support for SB413. If you have any questions regarding our position on this bill, please contact Meredith Lathbury Girard, Esq., managing attorney, Mid-Shore Pro Bono at 410-690-8128 or <u>mgirard@midshoreprobono.org</u>.

SB 413 FAV House of Ruth.pdf Uploaded by: Lennig, Dorothy Position: FAV



Marjorie Cook Foundation <u>Domestic Violence Legal Clinic</u> 2201 Argonne Drive • Baltimore, Maryland 21218 • 410-554-8463 • dlennig@hruthmd.org

TESTIMONY IN SUPPORT OF SENATE BILL 413 February 2, 2021 DOROTHY J. LENNIG, LEGAL CLINIC DIRECTOR

The House of Ruth is a non-profit organization providing shelter, counseling, and legal services to victims of domestic violence throughout the State of Maryland. Senate Bill 413 increases the distribution from the State's abandoned property fund to Maryland Legal Services Corporation (MLSC), the organization that makes grants for the provision of legal services to low-income Marylanders. We strongly urge the Senate Budget and Taxation Committee to favorably report on Senate Bill 413.

The House of Ruth Domestic Violence Legal Clinic ("Legal Clinic") receives a large part of its funding from MLSC. With this support, the Legal Clinic serves low-income victims of domestic violence throughout the state. House of Ruth attorneys provide representation in protective order hearings and divorce and custody cases; legal advocates provide information, lethality assessment, safety planning, and referrals to victims who call or visit our walk-in clinics at court houses in Baltimore City and Baltimore, Prince George's and Montgomery Counties. A 2016 study demonstrated that domestic violence victims who received civil legal representation experienced a notable reduction in physical violence over a 24-month period following the representation, as well as an increase in their psychological well-being and economic self-sufficiency.¹ Not only does civil legal representation work to prevent future domestic violence, but it also helps to mitigate the damage inflicted by that violence. Victims who were represented by legal services attorneys trained in domestic violence more frequently received custody and visitation orders that protected themselves and their children, as compared to cases in which victims were represented by private attorneys or victims who represented themselves.² Civil legal services are a vital part of Maryland's safety net for men, women and children escaping domestic violence.

¹ Hartley, C. C., & Renner, L. M. (2016). *The Longer-Term Influence of Civil Legal Services on Battered Women*. National Institutes of Justice, U.S. Dept. of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/249879.pdf.

² Kernic, M. (2015). *Final Report of the "Impact of Legal Representation on Child Custody Decisions among Families with a History of Intimate Partner Violence Study.*" U.S. Dept. of Justice, National Institute of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/248886.pdf.

Since the onset of the Covid-19 pandemic, MLSC has experienced severe reductions in two of its major sources of funding. Historically, MLSC has relied in large part on the Interest on Lawyers Trust Accounts (IOLTA) as a source of its funding. During the last 11 months, the interest rates have been close to zero, resulting in little to no income for MLSC. In addition, MLSC relies on funds it receives from certain court filing fee surcharges. During the past 11 months, very few new courts cases were filed due to the court's pandemic-related limited operations. The third, and only stable source of MLSC funding, comes from the State's Abandoned Property Fund (the Fund). An increase in MLSC's allotment from the Fund will avert further reductions to MLSC's funds and allow MLSC and the legal services agencies it supports to continue to provide vitally needed services.

In 1984, the General Assembly authorized a \$500,000 annual distribution from the Abandoned Property fund to help MLSC support its many grantees, which, at the time, represented 17% of the total abandoned property fund. MLSC currently receives \$2 million from the Fund. MLSC seeks an increase in the abandoned property fund distribution to \$8 million. This seemingly large increase would still represent less than 7% of the Fund. With IOLTA revenue remaining close to zero and the continued reduction in new court filings, an increase in the abandoned property fund distribution would stabilize MLSC's funding and prevent massive funding cuts to its grantees.

MLSC enables the House of Ruth to help many victims of domestic abuse. During FY 2020, the Legal Clinic used MLSC and other funding to serve 3,229 victims. Without this support, low-income victims often would have no access to the legal services needed to help end the cycle of violence. As its only funding source with a guaranteed amount every year, increasing the abandoned property fund distribution will allow MLSC to continue to provide support for these important services.

The House of Ruth strongly urges the Senate Budget and Taxation Committee to issue a favorable report on Senate Bill 413.

SB 413 FAV House of Ruth.pdf Uploaded by: Lennig, Dorothy Position: FAV



Marjorie Cook Foundation <u>Domestic Violence Legal Clinic</u> 2201 Argonne Drive • Baltimore, Maryland 21218 • 410-554-8463 • dlennig@hruthmd.org

TESTIMONY IN SUPPORT OF SENATE BILL 413 February 2, 2021 DOROTHY J. LENNIG, LEGAL CLINIC DIRECTOR

The House of Ruth is a non-profit organization providing shelter, counseling, and legal services to victims of domestic violence throughout the State of Maryland. Senate Bill 413 increases the distribution from the State's abandoned property fund to Maryland Legal Services Corporation (MLSC), the organization that makes grants for the provision of legal services to low-income Marylanders. We strongly urge the Senate Budget and Taxation Committee to favorably report on Senate Bill 413.

The House of Ruth Domestic Violence Legal Clinic ("Legal Clinic") receives a large part of its funding from MLSC. With this support, the Legal Clinic serves low-income victims of domestic violence throughout the state. House of Ruth attorneys provide representation in protective order hearings and divorce and custody cases; legal advocates provide information, lethality assessment, safety planning, and referrals to victims who call or visit our walk-in clinics at court houses in Baltimore City and Baltimore, Prince George's and Montgomery Counties. A 2016 study demonstrated that domestic violence victims who received civil legal representation experienced a notable reduction in physical violence over a 24-month period following the representation, as well as an increase in their psychological well-being and economic self-sufficiency.¹ Not only does civil legal representation work to prevent future domestic violence, but it also helps to mitigate the damage inflicted by that violence. Victims who were represented by legal services attorneys trained in domestic violence more frequently received custody and visitation orders that protected themselves and their children, as compared to cases in which victims were represented by private attorneys or victims who represented themselves.² Civil legal services are a vital part of Maryland's safety net for men, women and children escaping domestic violence.

¹ Hartley, C. C., & Renner, L. M. (2016). *The Longer-Term Influence of Civil Legal Services on Battered Women*. National Institutes of Justice, U.S. Dept. of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/249879.pdf.

² Kernic, M. (2015). *Final Report of the "Impact of Legal Representation on Child Custody Decisions among Families with a History of Intimate Partner Violence Study.*" U.S. Dept. of Justice, National Institute of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/248886.pdf.

Since the onset of the Covid-19 pandemic, MLSC has experienced severe reductions in two of its major sources of funding. Historically, MLSC has relied in large part on the Interest on Lawyers Trust Accounts (IOLTA) as a source of its funding. During the last 11 months, the interest rates have been close to zero, resulting in little to no income for MLSC. In addition, MLSC relies on funds it receives from certain court filing fee surcharges. During the past 11 months, very few new courts cases were filed due to the court's pandemic-related limited operations. The third, and only stable source of MLSC funding, comes from the State's Abandoned Property Fund (the Fund). An increase in MLSC's allotment from the Fund will avert further reductions to MLSC's funds and allow MLSC and the legal services agencies it supports to continue to provide vitally needed services.

In 1984, the General Assembly authorized a \$500,000 annual distribution from the Abandoned Property fund to help MLSC support its many grantees, which, at the time, represented 17% of the total abandoned property fund. MLSC currently receives \$2 million from the Fund. MLSC seeks an increase in the abandoned property fund distribution to \$8 million. This seemingly large increase would still represent less than 7% of the Fund. With IOLTA revenue remaining close to zero and the continued reduction in new court filings, an increase in the abandoned property fund distribution would stabilize MLSC's funding and prevent massive funding cuts to its grantees.

MLSC enables the House of Ruth to help many victims of domestic abuse. During FY 2020, the Legal Clinic used MLSC and other funding to serve 3,229 victims. Without this support, low-income victims often would have no access to the legal services needed to help end the cycle of violence. As its only funding source with a guaranteed amount every year, increasing the abandoned property fund distribution will allow MLSC to continue to provide support for these important services.

The House of Ruth strongly urges the Senate Budget and Taxation Committee to issue a favorable report on Senate Bill 413.

SB 413 FAV House of Ruth.pdf Uploaded by: Lennig, Dorothy Position: FAV



Marjorie Cook Foundation <u>Domestic Violence Legal Clinic</u> 2201 Argonne Drive • Baltimore, Maryland 21218 • 410-554-8463 • dlennig@hruthmd.org

TESTIMONY IN SUPPORT OF SENATE BILL 413 February 2, 2021 DOROTHY J. LENNIG, LEGAL CLINIC DIRECTOR

The House of Ruth is a non-profit organization providing shelter, counseling, and legal services to victims of domestic violence throughout the State of Maryland. Senate Bill 413 increases the distribution from the State's abandoned property fund to Maryland Legal Services Corporation (MLSC), the organization that makes grants for the provision of legal services to low-income Marylanders. We strongly urge the Senate Budget and Taxation Committee to favorably report on Senate Bill 413.

The House of Ruth Domestic Violence Legal Clinic ("Legal Clinic") receives a large part of its funding from MLSC. With this support, the Legal Clinic serves low-income victims of domestic violence throughout the state. House of Ruth attorneys provide representation in protective order hearings and divorce and custody cases; legal advocates provide information, lethality assessment, safety planning, and referrals to victims who call or visit our walk-in clinics at court houses in Baltimore City and Baltimore, Prince George's and Montgomery Counties. A 2016 study demonstrated that domestic violence victims who received civil legal representation experienced a notable reduction in physical violence over a 24-month period following the representation, as well as an increase in their psychological well-being and economic self-sufficiency.¹ Not only does civil legal representation work to prevent future domestic violence, but it also helps to mitigate the damage inflicted by that violence. Victims who were represented by legal services attorneys trained in domestic violence more frequently received custody and visitation orders that protected themselves and their children, as compared to cases in which victims were represented by private attorneys or victims who represented themselves.² Civil legal services are a vital part of Maryland's safety net for men, women and children escaping domestic violence.

¹ Hartley, C. C., & Renner, L. M. (2016). *The Longer-Term Influence of Civil Legal Services on Battered Women*. National Institutes of Justice, U.S. Dept. of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/249879.pdf.

² Kernic, M. (2015). *Final Report of the "Impact of Legal Representation on Child Custody Decisions among Families with a History of Intimate Partner Violence Study.*" U.S. Dept. of Justice, National Institute of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/248886.pdf.

Since the onset of the Covid-19 pandemic, MLSC has experienced severe reductions in two of its major sources of funding. Historically, MLSC has relied in large part on the Interest on Lawyers Trust Accounts (IOLTA) as a source of its funding. During the last 11 months, the interest rates have been close to zero, resulting in little to no income for MLSC. In addition, MLSC relies on funds it receives from certain court filing fee surcharges. During the past 11 months, very few new courts cases were filed due to the court's pandemic-related limited operations. The third, and only stable source of MLSC funding, comes from the State's Abandoned Property Fund (the Fund). An increase in MLSC's allotment from the Fund will avert further reductions to MLSC's funds and allow MLSC and the legal services agencies it supports to continue to provide vitally needed services.

In 1984, the General Assembly authorized a \$500,000 annual distribution from the Abandoned Property fund to help MLSC support its many grantees, which, at the time, represented 17% of the total abandoned property fund. MLSC currently receives \$2 million from the Fund. MLSC seeks an increase in the abandoned property fund distribution to \$8 million. This seemingly large increase would still represent less than 7% of the Fund. With IOLTA revenue remaining close to zero and the continued reduction in new court filings, an increase in the abandoned property fund distribution would stabilize MLSC's funding and prevent massive funding cuts to its grantees.

MLSC enables the House of Ruth to help many victims of domestic abuse. During FY 2020, the Legal Clinic used MLSC and other funding to serve 3,229 victims. Without this support, low-income victims often would have no access to the legal services needed to help end the cycle of violence. As its only funding source with a guaranteed amount every year, increasing the abandoned property fund distribution will allow MLSC to continue to provide support for these important services.

The House of Ruth strongly urges the Senate Budget and Taxation Committee to issue a favorable report on Senate Bill 413.

SB 413 FAV House of Ruth.pdf Uploaded by: Lennig, Dorothy Position: FAV



Marjorie Cook Foundation <u>Domestic Violence Legal Clinic</u> 2201 Argonne Drive • Baltimore, Maryland 21218 • 410-554-8463 • dlennig@hruthmd.org

TESTIMONY IN SUPPORT OF SENATE BILL 413 February 2, 2021 DOROTHY J. LENNIG, LEGAL CLINIC DIRECTOR

The House of Ruth is a non-profit organization providing shelter, counseling, and legal services to victims of domestic violence throughout the State of Maryland. Senate Bill 413 increases the distribution from the State's abandoned property fund to Maryland Legal Services Corporation (MLSC), the organization that makes grants for the provision of legal services to low-income Marylanders. We strongly urge the Senate Budget and Taxation Committee to favorably report on Senate Bill 413.

The House of Ruth Domestic Violence Legal Clinic ("Legal Clinic") receives a large part of its funding from MLSC. With this support, the Legal Clinic serves low-income victims of domestic violence throughout the state. House of Ruth attorneys provide representation in protective order hearings and divorce and custody cases; legal advocates provide information, lethality assessment, safety planning, and referrals to victims who call or visit our walk-in clinics at court houses in Baltimore City and Baltimore, Prince George's and Montgomery Counties. A 2016 study demonstrated that domestic violence victims who received civil legal representation experienced a notable reduction in physical violence over a 24-month period following the representation, as well as an increase in their psychological well-being and economic self-sufficiency.¹ Not only does civil legal representation work to prevent future domestic violence, but it also helps to mitigate the damage inflicted by that violence. Victims who were represented by legal services attorneys trained in domestic violence more frequently received custody and visitation orders that protected themselves and their children, as compared to cases in which victims were represented by private attorneys or victims who represented themselves.² Civil legal services are a vital part of Maryland's safety net for men, women and children escaping domestic violence.

¹ Hartley, C. C., & Renner, L. M. (2016). *The Longer-Term Influence of Civil Legal Services on Battered Women*. National Institutes of Justice, U.S. Dept. of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/249879.pdf.

² Kernic, M. (2015). *Final Report of the "Impact of Legal Representation on Child Custody Decisions among Families with a History of Intimate Partner Violence Study.*" U.S. Dept. of Justice, National Institute of Justice. Available at: https://www.ncjrs.gov/pdffiles1/nij/grants/248886.pdf.

Since the onset of the Covid-19 pandemic, MLSC has experienced severe reductions in two of its major sources of funding. Historically, MLSC has relied in large part on the Interest on Lawyers Trust Accounts (IOLTA) as a source of its funding. During the last 11 months, the interest rates have been close to zero, resulting in little to no income for MLSC. In addition, MLSC relies on funds it receives from certain court filing fee surcharges. During the past 11 months, very few new courts cases were filed due to the court's pandemic-related limited operations. The third, and only stable source of MLSC funding, comes from the State's Abandoned Property Fund (the Fund). An increase in MLSC's allotment from the Fund will avert further reductions to MLSC's funds and allow MLSC and the legal services agencies it supports to continue to provide vitally needed services.

In 1984, the General Assembly authorized a \$500,000 annual distribution from the Abandoned Property fund to help MLSC support its many grantees, which, at the time, represented 17% of the total abandoned property fund. MLSC currently receives \$2 million from the Fund. MLSC seeks an increase in the abandoned property fund distribution to \$8 million. This seemingly large increase would still represent less than 7% of the Fund. With IOLTA revenue remaining close to zero and the continued reduction in new court filings, an increase in the abandoned property fund distribution would stabilize MLSC's funding and prevent massive funding cuts to its grantees.

MLSC enables the House of Ruth to help many victims of domestic abuse. During FY 2020, the Legal Clinic used MLSC and other funding to serve 3,229 victims. Without this support, low-income victims often would have no access to the legal services needed to help end the cycle of violence. As its only funding source with a guaranteed amount every year, increasing the abandoned property fund distribution will allow MLSC to continue to provide support for these important services.

The House of Ruth strongly urges the Senate Budget and Taxation Committee to issue a favorable report on Senate Bill 413.

Written Testimony SB 413 HB 514.pdf Uploaded by: McDuffie McClary, Jade

Position: FAV



SB 413/HB 514: MARYLAND LEGAL SERVICES CORPORATION FUNDING – ABANDONED PROPERTY HEARING BEFORE THE BUDGET AND TAXATION COMMITTEE, FEBRUARY 2, 2021 POSITION: SUPPORT

The Pro Bono Resource Center of Maryland ("PBRC"), an independent 501(c)(3) non-profit organization, is the statewide clearinghouse for volunteer civil legal services in Maryland. As the designated pro bono arm of the Maryland State Bar Association, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar. PBRC supports SB 413/HB 514 because the Maryland Legal Services Corporation ("MLSC") needs the revenue from abandoned property funds in order to sustain its funding of critical civil legal services, including those provided by PBRC, to vulnerable residents of our state.

MLSC funding comprised 34% of PBRC's budget in fiscal year 2020. PBRC's projects include home preservation (covering tax sale and foreclosure prevention), consumer protection, immigration (including unification of unaccompanied children with their families), senior stability, eviction prevention and tenant advocacy. These projects incorporate extensive volunteer service components through community and/or courthouse clinics—and now remote clinics—that offer essential legal help to thousands of clients in need, allowing us to screen and triage case referrals where further representation is required. We also recruit, train, and engage hundreds of volunteer lawyers in the myriad of civil legal areas that impact low-income individuals and refer them to other legal services providers so they can offer high quality pro bono legal services to their client populations.

In fiscal year 2020, PBRC volunteers and staff closed 2,351 cases through its projects. Our clients are predominately low-income and from communities of color. In most cases, clients represented by PBRC volunteers and staff prevailed or received positive outcomes: we prevented unlawful evictions, significantly reduced consumer debt collections, saved homes from tax sale, preserved intergenerational wealth by drafting life-planning documents to pass properties to family members, resolved utility bill disputes, connected unaccompanied children with families, and facilitated legal education and outreach. Success rates for our clients ranged from 99% in consumer protection cases, to almost 78% for our tax sale prevention clinics, and 76% of clients assisted through our Tenant Volunteer Lawyer of the Day Program either avoided an eviction entirely or were granted a postponement delaying the eviction. Significantly, these resolutions save the state far more in costs: each dollar invested in civil legal services results in a \$6 return in economic activity, cost savings, and increased productivity. **Grant funding from MLSC makes these outcomes possible for our clients and facilitates cost savings for our economy.**

The COVID crisis has not only exacerbated problems for these clients but has also had a devastating financial impact on MLSC. Other than its current distribution from abandoned property funds, MLSC's two major funding sources for grants—the Interest on Lawyer Trust Accounts (IOLTA) program and filing fee surcharges—were significantly reduced by the COVID-19 pandemic due to near zero interest rates and a dramatic decrease in court filings. It is thus imperative to now increase the distribution of abandoned property funds to MLSC. **SB 413/HB 514**, **would help secure critical funding for the Maryland Legal Services Corporation and its grantees' work, thereby ensuring the ongoing provision of critical civil legal services to vulnerable, low-income residents across the state. Thank you for the opportunity to testify.**

For the above reasons, **PBRC urges a FAVORABLE report on SB 413/HB 514.** Please contact Allison Harris, Director of PBRC's Home Preservation Project, with any questions. aharris@probonomd.org • 443-703-3050

520 West Fayette Street. Baltimore. MD 21201-1756 • 410-837-9379 • 800-396-1274 • fax 410-385-2626 • email pbrc@probonomd.org • www.probonomd.org

MSCAN - SB413- MLSC Fund AP - Support.pdf Uploaded by: Miicke , Sarah



Maryland Senior Citizens Action Network

MSCAN

AARP Maryland

Alzheimer's Association, Maryland Chapters

Baltimore Jewish Council

Catholic Charities

Central Maryland Ecumenical Council

Church of the Brethren

Episcopal Diocese of Maryland

Housing Opportunities Commission of Montgomery County

Jewish Community Relations Council of Greater Washington

Lutheran Office on Public Policy in Maryland

Maryland Association of Area Agencies on Aging

Maryland Catholic Conference

Mental Health Association of Maryland

Mid-Atlantic LifeSpan

National Association of Social Workers, Maryland Chapter

Presbytery of Baltimore

The Coordinating Center

MSCAN Co-Chairs: Carol Lienhard Sarah Miicke 410-542-4850

SB 413 Maryland Legal Services Corporation Fund – Abandoned Property

Senate Budget and Taxation Committee February 2, 2021

Support

MSCAN is a statewide coalition of advocacy groups, service providers, faith-based and mission-driven organizations that supports policies that meet the housing and care needs of Maryland's low and moderate-income senior citizens.

MSCAN supports SB 413, which increases – from \$2,000,000 to \$8,000,000 – the amount that the State Comptroller is required to distribute to the Maryland Legal Services Corporation Fund from certain abandoned property funds. SB 413 is especially important for Maryland's senior community because the Maryland Legal Services Corporation (MLSC) Fund supports civil legal services – including senior legal services – for low-income Marylanders.

MLSC grantees provide essential civil legal services to low-income Marylanders, including seniors living in poverty. MLSC currently funds 36 nonprofit civil legal organizations across the state who assist clients with access to benefits, eviction assistance, foreclosure, bankruptcy, immigration, civil rights, and more. In particular, MLSC funds Senior Legal Services, which provides legal advice, counseling, education and representation to the senior community. This is a vitally important service for seniors, not only assisting them through the legal processes they might encounter, but also ensuring they are not exploited in the process. Unfortunately, the need for affordable legal services is far greater than the resources to assist.

Without increasing the amount sent to the MLSC Fund from abandoned property funds, the legal needs of Maryland's most vulnerable seniors will not be met. Two

of MLSC's major funding sources – the Interest on Lawyer Trust Accounts (IOLTA) program and these court filing fee surcharges – were significantly reduced by the COVID-19 pandemic due to near zero interest rates and a dramatic decrease in the number of court filings. Consequently, MLSC currently projects their revenue to come in at least \$6 million lower than pre-pandemic levels for FY 2022. At the same time, demand for civil legal services has skyrocketed during the pandemic. Without additional revenue, MLSC would have to provider fewer grants – or smaller grants – to the nonprofits they support, which reduces the number of low-income seniors who can access needed legal assistance.

It is critically important to fortify and preserve MLSC's funding levels. Without changes to the abandoned property fund amount, the loss of revenue for MLSC would cause irreparable harm to low-income Marylanders, especially low-income seniors. MLSC funding helps Marylanders living in or near poverty navigate the complexities of the legal system with assistance and representation. All Marylanders needs access to justice, and MLSC provides that for those with the lowest incomes.

For these reasons, MSCAN urges a favorable report on SB 413.

SB 413 - MLSC Abandoned Property Fund_RM.pdf Uploaded by: Montgomery, Richard



520 West Fayette St., Baltimore, MD 21201 410-685-7878 | 800-492-1964 fax 410-685-1016 | tdd 410-539-3186 msba.org

Position:	Support
Subject:	Senate Bill 413 - Maryland Legal Services Corporation – Abandoned Property
Date:	February 2, 2021
From:	Richard A. Montgomery III MSBA Director of Legislative & Governmental Relations
То:	Members of the Senate Budget & Taxation Committee

The Maryland State Bar Association (MSBA) SUPPORTS Senate Bill 413 - Maryland Legal Services Corporation – Abandoned Property. Since its creation by the General Assembly in 1982, the Maryland Legal Services Corporation (MLSC) has been funded largely by a patchwork of funding sources, including Interest on Lawyers Trust Accounts (IOLTA), certain filing fee surcharges in the District court and the circuit courts, and an annual disbursement from the State of Maryland Abandoned Property Fund.

The MLSC aids Marylanders from every corner of the State by distributing funds through its grantees throughout Maryland. Those grantees operate the service programs that offer civil legal aid to qualified low-income Marylanders. Yet those grantees, like the MLSC itself, have been forced to endure greater funding uncertainty based upon the unpredictability of the IOLTA and filing fee surcharge components of MLSC funding. While the Abandoned Property Fund appropriation has been stable, it is far outpaced by the legal services needs across Maryland.

The MLSC is the largest provider of civil legal aid in Maryland. It currently provides funding to 36 nonprofit grantees throughout Maryland to ensure that eligible clients in all areas of the State have access to legal assistance. Nevertheless, 80% of Marylanders who need help with a civil legal problem do not receive they legal help they need in times of crisis. That unfortunate fact contributes to the destabilization of at-risk Maryland families, and communities.

The MSBA strongly believes that civil legal aid is a prudent investment in families and communities – all across Maryland. The MLSC reports that



funding of civil legal services to low-income Marylanders provides a \$6 return on every dollar invested.

The MSBA believes that programs such as those funded by MLSC ensure <u>access to justice for all Marylanders</u>. Even prior to the COVID-19 pandemic, the demand for civil legal services in Maryland was far outpacing available funding to provide such services. The current public health emergency has decimated MLSC funding streams. The MSBA believes that the current MLSC fiscal condition represents an ominous danger to Maryland's overall wellbeing.

Increasingly, we find that while the appropriation to the MLSC from the Abandoned Property Fund is the only predictable funding component upon which the MLSC can rely, that appropriation remains grossly insufficient to meet the demand for civil legal services for indigent Marylanders across the State. Accordingly, the <u>MSBA SUPPORTS Senate Bill 413, and urges a Favorable Committee Report</u>.

SB 413.HB 514 CLS Written Testimony.pdf Uploaded by: Quincosa, Jessica



Testimony Concerning SB 413/HB 514 Maryland Legal Services Corporation Funding – Abandoned Property • Submitted to the Senate Budget and Taxation Committee Hearing Date: February 2, 2021

Position: Favorable

Contact: Jessica A. Quincosa, Executive Director, 240-391-6532 ext. 4 quincosa@clspgc.org

Community Legal Services of Prince George's County, Inc., (CLS) requests a favorable report on SB 413/HB 514, enactment which would provide a stable funding source to Maryland Legal Services Corporation's through the distribution of Abandoned Property Annual Revenue.

CLS's mission is to educate, represent and empower low-income members of the Prince George's County Community Regarding Civil Legal Matters. CLS receives most of its funding from Maryland Legal Services Corporation (MLSC), whose mission is to ensure low-income Marylanders have access to stable, efficient and effective civil legal assistance through the distribution of funds to nonprofit legal services organizations. With funding from MLSC, CLS was able to assist clients in over 9,585 cases and clinics in FY 2020 with a variety of civil legal matters.

CLS has worked with some of the most vulnerable individuals in the State of Maryland throughout the coronavirus pandemic. Many of our clients have lost income due to the pandemic, have gotten sick, and lost love ones. Through our Landlord Tenant Assistance Project, we have provided direct representation and legal advice to individuals facing eviction for not having the funds to pay their rent. Our attorneys have successfully helped clients defend against Failure to Pay Rent, Tenant Holding Over, and Breach of Lease cases. Once the current moratoria on evictions end and once the courts can hear more cases, the need for our services with rent cases will expand immensely.

Similarly, to renters, homeowners are suffering throughout the pandemic. Many clients are facing the very real risk of foreclosure, which is only being held in abeyance by the current moratoria. Our attorneys provide assistance in not only foreclosure actions, but also bankruptcy, and other consumer debt matters. Given the economic downturn caused by the coronavirus, the need for these services will increase drastically once the moratoria are lifted and the courts are able to hear more cases.

Our various other programs assist low-income clients in domestic violence, family law, employment, and other civil legal matters. We can provide legal advice clinics to individuals on a host of legal matters where clients can speak to an attorney for free about their case,

gaining guidance and assistance with filling out forms. We also provide direct representation in several cases, increasing our clients' ability to have access to justice. Without MLSC's funding, the most vulnerable in our community would be even more at a risk of experiencing injustice, at a time when their need for legal advice is only growing.

Throughout Maryland, MLSC's funding provides direct and tangible impact on the lives of low-income residents through providing funding to 36 nonprofit civil legal aid organizations across the state. MLSC's two major funding sources of the Interest on Lawyer Trust Accounts (IOLTA) program and surcharges on certain court filing fees have been hit hard by the pandemic. IOLTA interest rates are likely to remain at near zero for several more years and will be unlikely to provide MLSC as a significant source of funding for the foreseeable future. These decreases are projected to result revenues \$6 million less than the pre-pandemic levels.

Due to the decline in MLSC's funding sources, many of the legal services that low-income Marylanders rely on are at risk of losing funding, at a time when the need is growing each day. The funding from the Abandoned Property Fund will provide a stable source of income for MLSC and the legal services providers. This funding will enable legal services providers to focus on our programs during these challenging times to provide quality services to those most in need.

CLS urges favorable consideration of SB 413/HB 514.

SB 413 - CLC letter of support 1.29.21.pdf Uploaded by: Roth-Gormley, Shana



Jan. 29, 2021

Senator Guy Guzzone, Chair Members of the Maryland Senate Budget and Taxation Committee Miller Senate Office Building, 3 West Wing 11 Bladen St., Annapolis, MD 21401-1991

Re: Support for Senate Bill 413 - Maryland Legal Services Corporation Funding – Abandoned Property

Dear Chair Guzzone and Members of the Senate Budget and Taxation Committee:

Thank you for the opportunity to submit testimony supporting SB 413, a bill to increase funding from the Abandoned Property Fund to the Maryland Legal Services Corporation (MLSC). This funding increase will be critical in supporting MLSC, Maryland's primary funder of civil legal aid. MLSC provides funding to 36 nonprofit civil legal aid organizations across the state, providing legal assistance to low-income Marylanders to prevent evictions and foreclosures, assist with family law issues, address consumer debt, access benefits and more.

Passing SB 413 is critical to ensure that Maryland residents will be able to access legal services at a time when they are needed more than ever. MLSC currently projects that fiscal year 2022 revenue will be at least \$6 million lower than pre-pandemic levels. At the same time, legal services providers are bracing for a new eviction and foreclosure crisis due to the pandemic. Multiple studies have shown that every \$1 invested in civil legal services results in a \$6 return in the form of in economic activity, cost savings and increased productivity – a return of hundreds of millions of dollars each year.

SB 413 would meet the need for stable legal services funding by increasing MLSC's annual distribution from the Abandoned Property Fund from \$2 million to \$8 million. This increase would offer much needed stability to the legal services delivery system in Maryland, as the distribution from the Abandoned Property Fund is MLSC's only funding source with a guaranteed amount every year. MLSC's current major funding sources – surcharges on certain court filing fees and the Interest on Lawyer Trust Accounts (IOLTA) program – were significantly reduced by the COVID-19 pandemic due to a dramatic decrease in court filings, and near zero interest rates, which the Federal Reserve has indicated it is likely to maintain.

Community Law Center is one of MLSC's grantees. We are a nonprofit organization which provides legal services to nonprofit and community organizations throughout Maryland, to promote stronger nonprofits and more vibrant neighborhoods. MLSC funding allows us to help communities form neighborhood associations to address public safety issues, engage in beautification projects, and amplify residents' voices on local issues. It means we can work with communities to address the devastation of vacant and abandoned properties, hold property owners accountable, and work to get vacant properties put back to productive use. MLSC funding means that we can support nonprofits with resources on how to maintain the organization, run meetings, address tax liability, sustain financial health and accountability, and more. MLSC funding allows us to provide support to grassroots, volunteer-led nonprofits throughout the state, many of which would have no other way of accessing affordable legal services.

SB 413

We urge a **favorable report** on SB 413, to ensure that MLSC is able to sustain its funding for critical legal services work in Maryland. Thank you for your consideration.

Sincerely, Shana Roth-Gormley Staff Attorney and Pro Bono Coordinator Community Law Center

2021.01.29 - A2JC Written Testimony - SB 413 MLSC Uploaded by: Shah, Reena



United for Civil Justice for All

COMMISSIONERS

Ward B. Coe III, Chair Gallagher, Evelius & Jones David Eppler, Vice Chair Designee, Attorney General's Office Victoria Schultz, Treasurer University of Baltimore School of Law

Franklyn Baker United Way of Central Maryland Meryl Davis Burgin CareFirst BlueCross BlueShield Hon. Kathleen M. Dumais Maryland House of Delegates Susan M. Erlichman Maryland Legal Services Corp. Guy Flynn DLA Piper Hon. Brian E. Frosh Attorney General of MD Herb Garten Fedder Garten, P.A. Sharon E. Goldsmith Pro Bono Resource Center of Maryland Kelly Hughes Iverson MS8A Wilhelm Joseph Maryland Legal Aid Sharon Krevor-Weisbaum Brown, Goldstein & Levy Tom Lynch Miles & Stockbridge Natalie McSherry MS8A John Nethercut Public Justice Center Pamela Ortiz Maryland Judiciary Michael Pinard University of MD Carey School of Law Elizabeth Rosen Young Lawyers Section, MSBA Hon. Samuel I. Rosenberg Maryland House of Delegates Hon, Cathy Serrette Circuit Court for Prince George's County Hon, William Smith Maryland State Senate Matthew Stubenberg Access to Justice Lab, Harvard Univ. Donald Tobin University of MD Carey School of Law Hon, Jeff Waldstreicher Maryland State Senate Hon. Christopher West Maryland State Senate Ronald Weich University of Baltimore School of Law

> STAFF Reena K. Shah Executive Director

<u>Senate Bill 413</u> Maryland Legal Services Corporation Funding – Abandoned Property Senate Judicial Proceedings Committee <u>SUPPORT</u>

The Maryland Access to Justice Commission (A2JC) is an independent entity supported by the Maryland State Bar Association (MSBA) that unites leaders to drive reforms and innovations to make the civil justice system accessible, fair and equitable for all Marylanders. Prominent leaders from different segments of the legal community in Maryland – including the deans of the two law schools, the attorney general, law firm partners, heads of the legal services providers and funders, corporate counsel, academics, legislators, the state bar and judiciary comprise the A2JC. During the course of the COVID-19 pandemic, A2JC served as the lead partner in the Maryland Attorney General's COVID-19 Access to Justice Task Force, with its executive director serving as the A2J Task Force's vice chair.

SB413 is supported by the recommendations of the Attorney General's Task Force Report entitled, <u>Confronting the COVID-19 Access to Justice Crisis.</u>

The mission of the Task Force is to ensure that as Marylanders struggle to survive and overcome the pandemic, they are housed, fed, safe, secure and connected to justice. We highlighted that pandemic-related hardships have created heightened levels of conflict and difficulties related to health, food, employment, housing, debt, estate planning, and family issues that only the civil justice system can resolve. The result is a crisis in access to justice of unprecedented scale and magnitude. The impact of this crisis, as with that of the pandemic itself, has also fallen disproportionately on Maryland's Black and Latinx communities and other vulnerable groups, including persons with disabilities.

Yet crisis-level barriers to civil justice for low-income Marylanders are not new. Because the State does not provide a right to counsel in civil legal cases, all Marylanders who cannot afford a lawyer must either go without one or seek assistance from civil legal aid organizations, some of which are funded by MLSC and others of which must rely on other funding sources. Long before the pandemic, these organizations fell far short of having the funding and resources necessary to meet the demand. The civil legal aid community was serving only 20% of Marylanders who needed help.

Civil justice is a right, not a privilege. It helps preserve the rule of law and ensure

fairness and equity for all. A robust civil legal justice system capable of meeting the needs of all Marylanders is essential for maintaining public health and economic vitality. In the wake of COVID-19's devastation, it is also critical to our recovery.

Yet, we are constantly confronted with a chronic, structural funding deficit in the civil legal aid community's capacity to meet demand. Historically, the primary source of MLSC's funding has been the IOLTA program, or "Interest on Lawyers Trust Accounts." As this pandemic has made painfully clear, however, this funding stream is not only variable, but it is also inversely proportional to the fluctuating levels of need for civil legal aid. IOLTA funding decreases sharply in times of economic crisis when interest rates plummet, and yet it is exactly during these economic crises when we see spikes in civil legal aid demand. During the pandemic, the second source for MLSC funding - filing fees - also sharply declined due to changes in court operations.

However, the one steady source of revenue that did not fluctuate or decline was the amount provided to MLSC through the Abandoned Property Fund. We need to bolster this stream of funding to inoculate MLSC from the unpredictability tied to its other funding streams.

Comparatively, other states, recognizing the vital role of legal aid in the civil justice system, have ensured a dedicated, line-item, budget appropriation to support their civil legal aid organizations. Such line-item appropriations provide a critical bulwark against the inherent fluctuations of other funding sources, like IOLTA and court filing fees.

Increasing the Abandoned Property Fund contribution from \$2M to \$8M will provide necessary public investment needed for a healthier and more stable civil justice system in Maryland. As such, the Maryland Access to Justice Commission requests the Senate Judicial Proceedings Committee to deliver a FAVORABLE report to SB413. Please contact Reena Shah - <u>reena@msba.org</u> - with any questions.

SB413_MNADV_FAV.pdf Uploaded by: Shapiro, Melanie Position: FAV



BILL NO:Senate Bill 413TITLE:Maryland Legal Services Corporation Funding – Abandoned PropertyCOMMITTEE:Budget and TaxationHEARING DATE:February 2, 2021POSITION:SUPPORT

The Maryland Network Against Domestic Violence (MNADV) is the state domestic violence coalition that brings together victim service providers, allied professionals, and concerned individuals for the common purpose of reducing intimate partner and family violence and its harmful effects on our citizens. **MNADV urges the Senate Budget and Taxation Committee to issue a favorable report on SB 413.**

Senate Bill 413 requires the distribution from the State's Unclaimed Property Fund to the Maryland Legal Services Corporation (MLSC) to increase from 2 million to 8 million. MLSC is the organization that makes grants for the provision of civil legal services to low-income Marylanders. Many of the service providers that comprise MNADV, provide critical legal services to victims of domestic violence. These victim service providers rely on MLSC funding to offer legal representation for domestic violence victims. Representation is critical in ensuring victim's safety with one study finding that 83 percent of victims represented by an attorney successfully obtained a protective order, as compared to just 32 percent of victims without an attorney.¹

MLSC funding has been significantly impaired by the COVID-19 pandemic while the needs of victims of domestic violence have increased. The increase in funding in SB 413 will help avoid a further reduction in MLSC funding and allow MLSC and the legal service agencies that it supports to continue to provide critical legal services. These legal service agencies include many victim service providers for survivors of domestic violence who provide critical representation including assisting victims in obtaining protective orders against their abusers.

For the above stated reasons, the Maryland Network Against Domestic Violence urges a favorable report on SB 413.

¹ Jane Murphy, *Engaging with the State: The Growing Reliance on Lawyers and Judges to Protect Battered Women*, 11 Am. U. J. Gender Soc. Pol'y & L. 499, 511-12 (2003).

For further information contact Melanie Shapiro • Public Policy Director • 301-852-3930 • mshapiro@mnadv.org

SB 413 - Maryland Legal Services Corporation Fundi Uploaded by: Siri, Michelle



305 West Chesapeake Avenue, Suite 201 Towson, MD 21204 phone 410 321-8761 fax 410 321-0462 www.wlcmd.org

BILL NO:	Senate Bill 148
TITLE:	Maryland Legal Services Corporation Funding – Abandoned Property
COMMITTEE:	Judicial Proceedings
HEARING DATE:	February 2, 2021
POSITION:	SUPPORT

The Women's Law Center of Maryland (WLC) is a statewide, non-profit legal services provider, dedicated to ensuring the physical safety, the economic security, and the bodily autonomy of women across Maryland. Our direct legal services include representing survivors of domestic violence in protective order hearings, family law matters, and immigration proceedings. The WLC advances its work not only through direct legal representation, but also through statewide educational hotlines and advocacy.

Senate Bill 148 increases the amount of funds that the State Comptroller is required to distribute to the Maryland Legal Services Corporation (MLSC) from the Abandoned Property Fund. Created by the Maryland General Assembly in 1982, MLSC is the primary source of essential funding to organizations that provide civil legal services to low-income Marylanders. In 1984, the General Assembly identified the Abandoned Property Fund as a funding source for MLSC, allocating 17% of the fund's annual revenue to MLSC. The modest increase proposed in SB 148, from \$2,000,000 to \$8,000,000, would still only direct less than 7% of the fund's current revenue. This distribution is the only guaranteed income source for MLSC, and the increase would allow MLSC to continue its important work at a time when other revenue sources have decreased dramatically while the demand for civil legal aid has skyrocketed.

The WLC receives a significant portion of its income from MLSC. Without this funding, we would be unable to answer the calls of nearly 5,000 Marylanders per year on our Family Law and Employment Law Hotlines. Without the funding our Legal Director and other staff would be unable to support the direct representation of survivors of domestic violence as they seek protective orders and divorces against their abusers, or seek to obtain custody of their children or legal status in this country. This is the work we do, free of charge, every day for survivors of domestic violence and it would not be possible without the financial support of MLSC.

Representation in protective order proceedings, as well as divorce and custody hearings, is a significant component of addressing the needs of victims and leads to a greater likelihood of positive outcomes.¹ Studies have found that having an attorney's assistance with legal matters not only helps victims of intimate partner violence achieve greater economic self-sufficiency, but also makes leaving their violent relationships more feasible. In other words, access to legal services has a greater impact on preventing a woman from experiencing continued abuse than

¹ Farmer, Amy and Tiefenthaler, Jill (2003). *Explaining the Recent Decline in Domestic Violence*, 21CONTEMP. EC. POL'Y 158, 13 and *Longitudinal Patterns of Intimate Partner Violence, Risk, Well-Being, and Employment: Preliminary Findings* (with Dutton, Goodman, and Lennig) National Institute of Judicial Proceedings. (2001).



305 West Chesapeake Avenue, Suite 201 Towson, MD 21204 phone 410 321-8761 fax 410 321-0462 www.wlcmd.org

emergency services such as hotlines, shelters, and counseling programs². This is because access to affordable legal services is a determining factor in whether a woman even chooses to file a petition for a protective order—as well as whether her petition is successful³. Most victims lack a basic understanding of the legal system and are therefore unable to competently represent themselves in protective order hearings. Victims may not fully understand all the available remedies and the positive impact of obtaining them. Access to legal services is essential in keeping domestic violence safe, housed, employed, and independent – regardless of their ability to pay or their country of birth. Legal representation at protective order hearings help create economic, housing, and job security for victims and their families.

It is vitally important to secure additional funding for MLSC. MLSC's two major funding sources – the Interest on Lawyer Trust Accounts (IOLTA) program and these surcharges – were significantly reduced by the COVID-19 pandemic due to near zero interest rates and a dramatic decrease in court filings. MLSC currently projects fiscal year 2022 revenue to come in at least \$6 million lower than pre- pandemic levels. The Federal Reserve has indicated they will keep interest rates near zero for several more years, meaning that MLSC cannot rely on IOLTA as a significant source of funding for civil legal aid into the foreseeable future. This in turn creates uncertainty and instability for organizations such as the WLC; without the funding, survivors of domestic violence would be forced to face their abusers alone without access to legal services they so desperately need.

For these reasons, the WLC strongly supports SB 413 and urges a favorable report.

The Women's Law Center of Maryland is a private, non-profit, legal services organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal assistance to individuals and strategic initiatives to achieve systemic change, working to ensure physical safety, economic security, and bodily autonomy for women in Maryland.

² Supporting Survivors, The Economic Benefits of Providing Legal Assistance to Survivors of Domestic Violence (Rosenberg, Jennifer S., June 2015). <u>http://policyintegrity.org/documents/SupportingSurvivors.pdf</u>, last viewed June 20, 2019.

SB 413 - Maryland Legal Services Corporation Fundi Uploaded by: Siri, Michelle



305 West Chesapeake Avenue, Suite 201 Towson, MD 21204 phone 410 321-8761 fax 410 321-0462 www.wlcmd.org

BILL NO:	Senate Bill 148
TITLE:	Maryland Legal Services Corporation Funding – Abandoned Property
COMMITTEE:	Judicial Proceedings
HEARING DATE:	February 2, 2021
POSITION:	SUPPORT

The Women's Law Center of Maryland (WLC) is a statewide, non-profit legal services provider, dedicated to ensuring the physical safety, the economic security, and the bodily autonomy of women across Maryland. Our direct legal services include representing survivors of domestic violence in protective order hearings, family law matters, and immigration proceedings. The WLC advances its work not only through direct legal representation, but also through statewide educational hotlines and advocacy.

Senate Bill 148 increases the amount of funds that the State Comptroller is required to distribute to the Maryland Legal Services Corporation (MLSC) from the Abandoned Property Fund. Created by the Maryland General Assembly in 1982, MLSC is the primary source of essential funding to organizations that provide civil legal services to low-income Marylanders. In 1984, the General Assembly identified the Abandoned Property Fund as a funding source for MLSC, allocating 17% of the fund's annual revenue to MLSC. The modest increase proposed in SB 148, from \$2,000,000 to \$8,000,000, would still only direct less than 7% of the fund's current revenue. This distribution is the only guaranteed income source for MLSC, and the increase would allow MLSC to continue its important work at a time when other revenue sources have decreased dramatically while the demand for civil legal aid has skyrocketed.

The WLC receives a significant portion of its income from MLSC. Without this funding, we would be unable to answer the calls of nearly 5,000 Marylanders per year on our Family Law and Employment Law Hotlines. Without the funding our Legal Director and other staff would be unable to support the direct representation of survivors of domestic violence as they seek protective orders and divorces against their abusers, or seek to obtain custody of their children or legal status in this country. This is the work we do, free of charge, every day for survivors of domestic violence and it would not be possible without the financial support of MLSC.

Representation in protective order proceedings, as well as divorce and custody hearings, is a significant component of addressing the needs of victims and leads to a greater likelihood of positive outcomes.¹ Studies have found that having an attorney's assistance with legal matters not only helps victims of intimate partner violence achieve greater economic self-sufficiency, but also makes leaving their violent relationships more feasible. In other words, access to legal services has a greater impact on preventing a woman from experiencing continued abuse than

¹ Farmer, Amy and Tiefenthaler, Jill (2003). *Explaining the Recent Decline in Domestic Violence*, 21CONTEMP. EC. POL'Y 158, 13 and *Longitudinal Patterns of Intimate Partner Violence, Risk, Well-Being, and Employment: Preliminary Findings* (with Dutton, Goodman, and Lennig) National Institute of Judicial Proceedings. (2001).



305 West Chesapeake Avenue, Suite 201 Towson, MD 21204 phone 410 321-8761 fax 410 321-0462 www.wlcmd.org

emergency services such as hotlines, shelters, and counseling programs². This is because access to affordable legal services is a determining factor in whether a woman even chooses to file a petition for a protective order—as well as whether her petition is successful³. Most victims lack a basic understanding of the legal system and are therefore unable to competently represent themselves in protective order hearings. Victims may not fully understand all the available remedies and the positive impact of obtaining them. Access to legal services is essential in keeping domestic violence safe, housed, employed, and independent – regardless of their ability to pay or their country of birth. Legal representation at protective order hearings help create economic, housing, and job security for victims and their families.

It is vitally important to secure additional funding for MLSC. MLSC's two major funding sources – the Interest on Lawyer Trust Accounts (IOLTA) program and these surcharges – were significantly reduced by the COVID-19 pandemic due to near zero interest rates and a dramatic decrease in court filings. MLSC currently projects fiscal year 2022 revenue to come in at least \$6 million lower than pre- pandemic levels. The Federal Reserve has indicated they will keep interest rates near zero for several more years, meaning that MLSC cannot rely on IOLTA as a significant source of funding for civil legal aid into the foreseeable future. This in turn creates uncertainty and instability for organizations such as the WLC; without the funding, survivors of domestic violence would be forced to face their abusers alone without access to legal services they so desperately need.

For these reasons, the WLC strongly supports SB 413 and urges a favorable report.

The Women's Law Center of Maryland is a private, non-profit, legal services organization that serves as a leading voice for justice and fairness for women. It advocates for the rights of women through legal assistance to individuals and strategic initiatives to achieve systemic change, working to ensure physical safety, economic security, and bodily autonomy for women in Maryland.

² Supporting Survivors, The Economic Benefits of Providing Legal Assistance to Survivors of Domestic Violence (Rosenberg, Jennifer S., June 2015). <u>http://policyintegrity.org/documents/SupportingSurvivors.pdf</u>, last viewed June 20, 2019.

Catholic Charities of the Archdiocese of Washingto Uploaded by: Thompson, Kelly

Bill:	SB0413: Maryland Legal Services Corporation Funding – Abandoned Property
Submitting Organization:	Catholic Charities of the Archdiocese of Washington, Inc.
Position:	Support
Committee:	Senate Budget and Taxation

Catholic Charities of the Archdiocese of Washington strongly supports Senate Bill 413 and similar bills that will stabilize and enhance essential funding to the Maryland Legal Services Corporation to provide Marylanders overwhelmed by COVID-19, particularly low-income families and individuals, with access to legal services to help them begin to rebuild their lives. With this vital funding secured, legal services providers throughout Maryland will have the necessary resources to continue making a real difference, resulting in more just and equitable outcomes for the most vulnerable Marylanders.

In 1984, the Maryland General Assembly identified the Abandoned Property Fund as a source of funding for MLSC. The original allocation to MLSC made up about 17% of the Fund's revenue nearly 40 years ago. Even with the increase currently being proposed in SB0413, the new allocation would make up less than 7% of the Fund's current revenue. With a sharp decrease in court filings throughout the state over the last year and IOLTA funding significantly cut due to near-zero interest rates for the foreseeable future, two of MLSC's major funding sources have been greatly impacted. Coupled with the increased demand for civil legal services to resolve evictions and foreclosures, family law issues, consumer debt matters, access to public benefits, and immigration matters, the General Assembly must act to increase other sources of funding for legal aid providers to continue providing life-changing services, including an increased distribution from the Abandoned Property Fund.

Founded in 1928, Catholic Charities is one of the most comprehensive providers of social services, including legal services, to low-income individuals and families in Washington, D.C., and Montgomery, Prince George's, Charles, Calvert, and St. Mary's counties. Catholic Charities affirms and supports the dignity of all individuals, strengthens families, and empowers underserved communities. Our services are open to all those in need, regardless of age, race, nationality, gender, sexual orientation, background, belief, or circumstance. Catholic Charities empowers vulnerable, low-income individuals and families to achieve personal and economic stability by providing high-quality, person-focused, and culturally-competent wraparound services. Two such programs, Catholic Charities Immigration Legal Services (ILS) and Catholic Charities Legal Network (CCLN), provide access to expert immigration and civil legal services to low-income individuals in Maryland communities.

As an established legal services provider in Maryland, Catholic Charities understands the importance that Maryland Legal Services Corporation funding makes in the lives of Marylanders. MLSC currently provides critical general operating funds to Immigration Legal Services, a long-standing grantee. These funds play a vital role in protecting and assisting low-income foreign-born residents of Maryland. Without this funding, ILS' ability to deliver legal services to Maryland residents would be severely curtailed.

Immigration Legal Services' legal staff, including attorneys and Department of Justice (DOJ) Accredited Legal Representatives, assist clients with family petitions, self-petitions for battered spouses and children, Special Immigrant Juvenile Status (SIJS) petitions, guardianship and custody orders for unaccompanied minors, applications for asylum, naturalization, Temporary Protected Status, Deferred Action for Childhood Arrivals (DACA), "T" visas (for victims of trafficking), and "U" visas (for victims of crimes). In addition, staff represent clients in removal proceedings before the immigration courts and on appeals before the Board of Immigration Appeals and federal courts. Each year, ILS opens more than 2,000 cases for Maryland residents in matters ranging from consultations to full representation. ILS staff also provide educational outreach to the communities we serve through information sessions and radio programs to ensure that accurate and up-to-date information is being shared. ILS also recruits, trains, and mentors pro bono attorneys and matches them with especially vulnerable Maryland residents for pro bono representation. These services have been critical to so many who can now live in the United States without fear of being deported, work legally in the U.S. to support themselves and their families, leave situations of abuse, and obtain lawful permanent residence, U.S. citizenship, or other forms of immigration relief. The impact of our work, with the funding support of MLSC, has long lasting effects on the individual, his/her family, and our community.

Catholic Charities Legal Network has, for over 30 years, provided pro bono civil legal services to underserved communities, focusing on family law (custody and child support), housing (eviction and foreclosure defense), protection of seniors and those with special needs (guardianship and conservatorship), and consumer debt issues. In 2017, Catholic Charities opened the Susan Denison Mona Center in Prince George's County to better serve low-income populations in Prince George's, Charles, Calvert, and St. Mary's counties. The office is staffed with two CCLN lawyers who possess more than 60 combined years of experience working with low-income clients and building pro bono programs. Through the work of Catholic Charities' staff and pro bono attorneys, clients have resolved contentious custody matters to ensure children's stability, worked against unscrupulous landlords to protect their rights as tenants, and helped individuals facing mounting debt successfully obtain relief.

Catholic Charities of the Archdiocese of Washington appreciates your consideration and respectfully urges you to support Senate Bill 413.

CC-SB413-MLSC Abandoned Property.pdf Uploaded by: Vaughan, Regan



Senate Bill 413 Maryland Legal Services Corporation Funding – Abandoned Property

Senate Budget & Taxation Committee February 2, 2021

Support

Catholic Charities of Baltimore strongly supports SB 413, which increases the amount of abandoned property funds that the Comptroller is required to distribute each year to the Maryland Legal Services Corporation (MLSC).

Inspired by the gospel to love, serve and teach, Catholic Charities provides care and services to improve the lives of Marylanders in need. As the largest human service provider in Maryland working with tens of thousands of youth, individuals, and families each year, we recognize how vitally important access to civil legal services are to the health, safety, and well-being of the clients we serve.

Each day, Catholic Charities staff interact with Marylanders facing challenges and difficulties, those challenges and difficulties that have only escalated during the Pandemic. COVID-19 has laid to bare longstanding inequities in our systems, including inequitable access to civil legal services. As both a beneficiary of MLSC funding and as a partner of many of the grantees, we strongly support SB 413. The examples below highlight the crucial work performed by MLSC grantees to improve the lives of vulnerable Marylanders.

Our new neighbors in the immigrant community often lack access to the protections provided for in our legal system because they are not represented in immigration proceedings. MLSC provides funding for organizations like Catholic Charities Esperanza Center allowing our Immigration Legal Services program can assist clients and their family members seeking to obtain, extend, or retain lawful immigration status or citizenship in the United States.

At programs such as Our Daily Bread Employment Center and Sarah's House, we offer services to assist individuals experiencing homelessness or at risk of homelessness apply for public benefits. It is not unusual for there to be issues with the processing of their benefits or incorrect terminations of benefits. Homeless Persons Representation Project has been a critical partner by helping our mutual clients with appeals of benefit determinations allowing them to access the benefits they are entitled to.

Through our programs with individuals with disabilities and youth with behavioral health diagnoses, we have seen the power of Disabilities Rights Maryland. Their representation of our mutual clients ensures that the clients are receiving appropriate services in the community, in institutional settings, and in schools. They push us to be better a better service provider. Their work supports an integrated and just society for people with disabilities.

Without MLSC funding the organizations described above and many other grantees would not be able to offer much needed civil legal services to low income and no income Marylanders. SB 413 will provide for the financial stability of MLSC so these services can continue. **On behalf of the individuals and families we work with, Catholic Charities of Baltimore appreciates your consideration, and urges the committee to issue a favorable report for SB 413.**

Submitted By: Regan K. Vaughan, Director of Advocacy

SB 413 MLSC-Abandoned Prop (Guzzone) B&T 2.2.21 (2 Uploaded by: Wilkins, Barbara

Position: INFO

LARRY HOGAN Governor

BOYD K. RUTHERFORD Lieutenant Governor



DAVID R. BRINKLEY Secretary

> MARC L. NICOLE Deputy Secretary

SENATE BILL 413 Maryland Legal Services Corporation Funding - Abandoned Property (Guzzone)

STATEMENT OF INFORMATION

DATE: February 2, 2021

COMMITTEE: Senate Budget & Taxation

SUMMARY OF BILL: SB 413 increases from \$2 million to \$8 million the amount of General Fund revenues diverted from the Abandoned Property Fund to support the Maryland Legal Services Corporation.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the diversion of \$6 million of General Fund revenues.

DBM has the responsibility of submitting a balanced budget to the General Assembly annually, which requires spending allocations for FY 2022 to be within the official revenues estimates approved by the Board of Revenue Estimates in December 2020.

Economic conditions remain precarious as a result of COVID-19, making revenue predictions for the remainder of FY 2021 and FY 2022 highly volatile. Many individuals and households are unemployed or underemployed, with many industry sectors operating at much less than 100% capacity. Federal stimulus programs are providing much needed relief, but the impact of the COVID-19 pandemic continues to present a significant budgetary vulnerability.

The highest priority of the Administration is to work with the 2021 General Assembly in enacting the Governor's emergency Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families Act (SB 496/HB 612 RELIEF Act). The RELIEF Act provides \$1 billion in direct stimulus and tax relief for Maryland working families, small businesses, and those who have lost their jobs as a result of the COVID-19 pandemic. Senate amendments to SB 496 include \$3 million to support the Maryland Legal Services Corporation.

For additional information, contact Barbara Wilkins at (410) 260-6371 or <u>barbara.wilkins1@maryland.gov</u>