

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

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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.