
**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.
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