

MLSC_SB232_Favorable.pdf

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Position: FAV



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

**Testimony Concerning SB 232
“Civil Cases – Surcharges”
Submitted to the Senate Judicial Proceedings Committee
Hearing Date: January 26, 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 232, enactment of which would institute modest increases to surcharges on certain court filing fees and direct that funding to the provision of civil legal aid.

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 enacted surcharges as a funding source for MLSC in 1998, and they currently make up MLSC’s largest funding source. However, MLSC’s two major revenue sources – IOLTA and these surcharges – 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 would 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 small increases on filing fee surcharges 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.

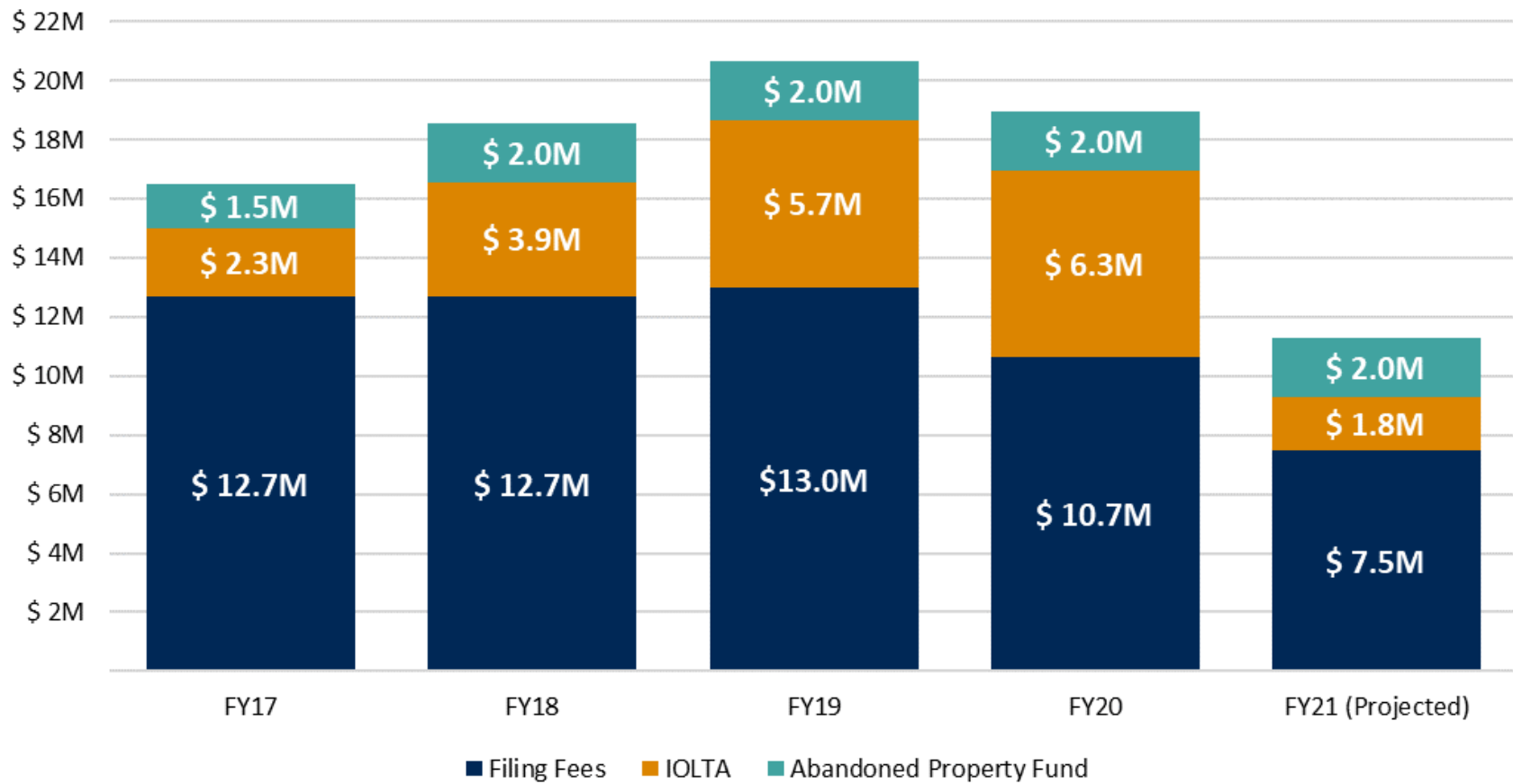
Even with these modest increases, Maryland’s filing fees would both remain at or below national averages. Additionally, low-income clients served by MLSC grantees and other approved legal services providers receive an automatic filing fee waiver.

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 232 would be an important tool in serving the ends of justice.

MLSC urges favorable consideration of SB 232.

Appendix: MLSC Fund Projected Revenue

MLSC Fund Revenue: FY17-FY21 (Projected)



SB 232_HPRP_FAV.pdf

Uploaded by: Fasanelli, Antonia

Position: FAV

SB 232: Civil Cases - Surcharges - SUPPORT

Testimony of Antonia K. Fasanelli, Executive Director
Homeless Persons Representation Project, Inc.
January 26, 2021 Senate Judicial Proceedings 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).

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 continued with some months seeing over 150 calls. **By December 2020, HPRP had received so many**

¹ L. Krauss, [She helped other homeless people stay warm, then died in the cold herself](https://www.baltimorebrew.com/2020/12/20/she-helped-other-homeless-people-stay-warm-then-died-in-the-cold-herself/), 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/>



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 232 is the bare minimum the civil legal aid system needs to survive. SB 232 will not increase our capacity, it will only hold the line against further cuts and project closures.** We urge you to issue a **Favorable Report on SB 232**, 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.



Maryland Volunteer Lawyers Service Testimony 1.22.

Uploaded by: Hennen, Amy

Position: FAV



Susan Francis
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MARYLAND SENATE JUDICIAL PROCEEDINGS COMMITTEE
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE
IN SUPPORT OF SB232: CIVIL CASES – SURCHARGES
TUESDAY, JANUARY 26, 2021

Chairman Smith and distinguished members of the Committee, thank for the opportunity to provide written testimony in support of SB 232.

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 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.

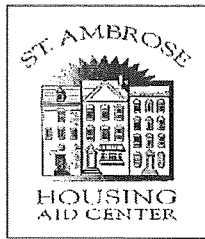
All Marylanders—regardless of their economic circumstances—deserve access to our courts and should be able to receive quality legal representation when needed. Unless MLSC receives adequate funding, MVLS and the 35 other legal services organizations that MLSC funds will be unable to provide even modest levels of access. As our clients frequently tell us, legal representation is often life changing. We support SB232 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 Smith and members for the Committee, thank you for the opportunity to provide written testimony.

Testimony SB 232 - St Ambrose signed.pdf

Uploaded by: Jarvis, Owen

Position: FAV



**Testimony to the Judicial Proceedings Committee
SB 232 - Civil Cases – Surcharges
Position: Favorable**

January 22, 2021

The Honorable William C. Smith, Jr.
Senate Judicial Proceedings Committee
Miller Senate Office Building
2 East
Annapolis, MD 21401

cc: Members, Senate Judicial Proceedings Committee Honorable

Honorable Chair Smith, Jr. and Members of the Committee:

I am writing to urge your support of SB 232, which would institute modest increases to surcharges on certain court filing fees for the purpose of increasing funding for the Maryland Legal Services Corporation Fund. I am urging this support on behalf of St. Ambrose Housing Aid Center (St. Ambrose), a non-profit organization whose mission is to create, preserve, and maintain equal housing opportunities for low and moderate income people primarily in Baltimore City, and encourage and support strong and diverse neighborhoods. St. Ambrose provides a range of services including housing counseling for first time homebuyers, financial education as well as provision of affordable housing options.

The Legal Service Department at St. Ambrose assists an average of 1000 lower income residents each year with legal issues which threaten the stability of their housing. These issues range from brief advice to representation in matters such as foreclosure, landlord tenant disputes, title issues, estate matters, and tax sales. These pro bono services are for individuals who would not otherwise have representation because they cannot afford an attorney. In the coming months and year as moratoriums are lifted the effects of the economic downturn are realized, we expect increased demand for our services aimed at keeping people in their homes and giving them time to address longer term strategies.

Funding from the Maryland Legal Services Corporation (MLSC) is instrumental in helping sustain the great work that our Legal Service Department does at this crucial time. We are urging support of this bill to help increase the funding of MLSC which suffered greatly last year due to court closures and the lack of filings. Increased funding will help ensure access to justice not only for the individuals we serve, but for those served by the numerous other MLSC-funded organizations which do great work statewide.

We urge you to support MLSC and pro bono legal services by voting in favor of SB 232. Thank you.

Sincerely,

Owen Jarvis
Director of Legal Services
St. Ambrose Housing Aid Center

MAP - SB 232 - MLSC - Support.pdf

Uploaded by: Jefferson , Stacey

Position: FAV



TESTIMONY IN SUPPORT OF SB 232

Civil Cases – Maryland Legal Services Corporation Fund – Increase Surcharges

Senate Judicial Proceedings Committee

January 26, 2021

Submitted by Stacey Jefferson and Julia Gross, Co-Chairs

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

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Julia Gross, Co-Chair
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Marylanders Against Poverty (MAP) strongly supports SB 232, which increases surcharges for certain civil cases in the circuit courts and in the District Court. Money from the surcharges would continue to be deposited in the Maryland Legal Services Corporation (MLSC) Fund which 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 surcharges, the legal needs of Maryland's most vulnerable will not be met. MLSC's two 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. 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, MLSC would have to provide 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. Even with the modest fee increases proposed in SB 232, Maryland's filing fees would both remain at or below national averages.

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 232 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 - testimony - senate - 2021.pdf

Uploaded by: Jordan, Lisae C

Position: FAV



Working to end sexual violence in Maryland

P.O. Box 8782
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Phone: 301-565-2277
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For more information contact:
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Testimony Supporting Senate Bill 232 **Lisae C. Jordan, Executive Director & Counsel** January 26, 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 Judicial Proceedings Committee to report favorably on Senate Bill 232.

Senate Bill 232 – Filing Fee Surcharge to Support Civil Legal Services

The Maryland Legal Services Corporation (MLSC), together with many bar and community leaders, is urging the General Assembly to enact Senate Bill 232. This bill would increase filing fees that support civil legal services for economically disadvantaged people in Maryland and help maintain Maryland's legal services safety net. This important legal services safety net has been critically injured by the COVID pandemic and is in jeopardy of failing if the legislature does not act.

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), U-visas 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 2019
318 survivors were helped in December 2020

This increase 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 an 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.

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 Judicial Proceedings Committee to
report favorably on Senate Bill 232**

Maryland Catholic Conference_FAV_SB232.pdf

Uploaded by: Kraska, Jenny

Position: FAV



ARCHDIOCESE OF BALTIMORE † ARCHDIOCESE OF WASHINGTON † DIOCESE OF WILMINGTON

January 26, 2021

Senate Bill 232

Civil Cases - Surcharges

Senate Judicial Proceedings 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 210.

Senate Bill 232 would provide for modest increases to surcharges on certain court filing fees, a long-standing source of funding for the Maryland Legal Services Corporation (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 232 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 232.

SB 232 FAV House of Ruth.pdf

Uploaded by: Lennig, Dorothy

Position: FAV



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

TESTIMONY IN SUPPORT OF SENATE BILL 232
January 26, 2021
DOROTHY J. LENNIG, LEGAL CLINIC DIRECTOR

The House of Ruth is a non-profit organization providing shelter and legal services to victims of domestic violence throughout the State of Maryland. Senate Bill 232 allows for an increase in court filing fees to avert further reductions in funding to Maryland Legal Services Corporation (MLSC), the organization that makes grants for the provision of civil legal services to low-income Marylanders. **We strongly urge the Senate Judicial Proceedings Committee to favorably report on Senate Bill 232.**

The House of Ruth Domestic Violence Legal Clinic (the Clinic) receives a significant portion of its funding from MLSC. With this support, the Clinic serves low-income victims of domestic violence throughout the state. Clinic 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 Prince George's, Montgomery, and Baltimore Counties. Civil legal representation is critical to victims of domestic violence and their children. 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 aid 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 fund. 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 proposed filing fee surcharge increase 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.

MLSC funding enables the House of Ruth to help many victims of domestic abuse. During FY 2020, the House of Ruth 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. The filing fee surcharge will allow MLSC to continue to provide crucial support for these important services.

Written Testimony SB 232-HB478.pdf

Uploaded by: McDuffie McClary, Jade

Position: FAV

SB 232/HB 478
CIVIL CASES - SURCHARGES
HEARING BEFORE THE JUDICIAL PROCEEDINGS COMMITTEE
JANUARY 26, 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 232/HB 478 because the Maryland Legal Services Corporation (“MLSC”) needs the revenue from raising certain court filing fees 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 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 legal services to their client populations.

In fiscal year 2020, PBRC volunteers and staff closed 2,351 cases through its projects. 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 either avoided an eviction entirely or were granted a postponement delaying the eviction through our Tenant Volunteer Lawyer of the Day Program. **Grant funding from MLSC makes these outcomes possible for our clients.** Our clients are predominately low-income and from communities of color. The COVID crisis has not only exacerbated problems for these clients but has specifically created a devastating impact on MLSC whose revenue has dropped precipitously. It is imperative to now increase the surcharges on court filing fees to bolster MLSC and its grantees.

PBRC supports SB 232/HB 478, which would help secure critical funding for the Maryland Legal Services Corporation and its grantees, thereby helping to ensure the ongoing provision of civil legal services to our state’s at-risk population. Thank you for the opportunity to testify.

For the above reasons,

PBRC urges a FAVORABLE report on SB 232/HB 478.

Please contact Allison Harris, Director of PBRC’s Home Preservation Project, with any questions.

aharris@probonomd.org • 443-703-3050

MSCAN - SB232- Civil Surcharges.pdf

Uploaded by: Miicke , Sarah

Position: FAV



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 Mücke
410-542-4850*

SB 232 Civil Cases - Surcharges

Senate Judicial Proceedings Committee January 26, 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 232, which increases surcharges on the filing fees for certain civil cases in circuit courts and in the District Court. SB 232 is especially important for Maryland's senior community because these funds are deposited into the Maryland Legal Services Corporation (MLSC) Fund, which funds 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 surcharges, the legal needs of Maryland's most vulnerable seniors will not be met. MLSC's two 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 provide fewer grants – or smaller grants – to the nonprofits they support, which reduces the number of low-income seniors who can access needed legal assistance. Even with the modest fee increases proposed in SB 232, Maryland's filing fees would both remain at or below national averages.

It is critically important to fortify and preserve MLSC's funding levels. Without changes to the surcharge amounts for filing fees, 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 need access to justice, and MLSC provides that for those with the lowest incomes.

For these reasons, MSCAN urges a favorable report on SB 232.

DRM Re MLSC SB232 HB478.docx.pdf

Uploaded by: Murphy, Robin

Position: FAV



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Phone: 410-727-6352 | Fax: 410-727-6389

www.DisabilityRightsMD.org

**SENATE JUDICIAL PROCEEDINGS COMMITTEE
SB 232/HB 478 FILING FEE SURCHARGE**

JANUARY 26, 2021

POSITION: SUPPORT

Thank you for the opportunity to provide testimony to the Committee on behalf of Disability Rights Maryland (DRM, formerly known as Maryland Disability Law Center).

SB 232 and HB 478 provide for modest increases to surcharges on certain court filing fees to provide critically needed funding for the Maryland Legal Services Corporation (MLSC). MLSC was created by the Maryland General Assembly in 1982 to be the state's primary funder of civil legal aid services to Marylanders with low incomes. The Maryland General Assembly enacted surcharges as a funding source for MLSC in 1998. These surcharges currently make up MLSC's largest funding source

MLSC currently provides funding to 36 nonprofit civil legal aid organizations across the state who rely on MLSC funding. DRM is one of these civil legal services organizations. MLSC is DRM's single largest funder.

DRM is the federally designated Protection and Advocacy agency in Maryland, mandated to advance and protect the civil and human rights of people with disabilities throughout the state. We provide free legal services to Marylanders of any age with all types of disabilities (developmental, intellectual, psychiatric, physical, sensory, learning, traumatic brain injury), who live in facilities, in the community or who are homeless.

A disability may complicate various aspects of daily living and compound the need for legal assistance. Stigma and discrimination against people with disabilities is often pervasive, preventing their full inclusion in community life and severely limiting their life opportunities. For over 40 years DRM has provided critically needed services that enables people with disabilities to access housing, special education, health and mental health care, transportation, employment, and prevent abuse, neglect, and discrimination.

The pandemic has severely and disproportionality impacted people with disabilities, many of whom are at increased risk of eviction and homelessness, reduction in needed community services, healthcare complications, severe harm or death. As a result, there has been an exponential increase in the need for advocacy services to ensure that the vital and unique needs of people with disabilities are addressed.

Any reduction in funding from MLSC will seriously impair DRM's ability to maintain our current staffing level and significantly decrease our ability to provide essential advocacy which serves to protect the health, safety and welfare of Marylanders with disabilities.

It is vitally important to secure additional funding for MLSC to address the exponential increase in demand for legal advocacy services for Marylanders with very low incomes. 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.

Even with the modest increases in this proposed legislation, Maryland's filing fees would both remain at or below national averages. Low-income clients served by MLSC grantees and other approved legal services providers will continue to receive an automatic filing fee waiver. Both the General Assembly and the Courts have recognized this need for fee waivers for low-income individuals. Likewise, it is important to include protections in this legislation to ensure that surcharges in summary ejectment cases should not be passed on to tenants.

Please contact me if you have any questions or would like additional information. I can be reached at RobinM@DisabilityRightsMD.org or at 240-750-0723.

Respectfully,

A handwritten signature in cursive script that reads "Robin C. Murphy".

Robin C Murphy, Esq.
Executive Director, Disability Rights Maryland

SB232 CLS Written Testimony.pdf

Uploaded by: Quincosa, Jessica

Position: FAV



**Testimony Concerning SB 232
“Civil Cases – Surcharges”
Submitted to the Senate Judicial
Proceedings Committee Hearing Date:
January 26, 2021**

Position: Support

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 232, enactment of which would institute modest increases to surcharges on certain court filing fees and direct that funding to the provision of civil legal aid.

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 the majority 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 the help of funding from MLSC, CLS was able to assist clients in over 9,585 cases and clinics in FY 2020 with a variety of 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 loved 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 are able to 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 are able to 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 are able to 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 a number of 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, from 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 in 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. With the proposed modest increases to surcharges on certain court filing fees, this would help to lessen the projected funding shortfall to MLSC, and therefore provide protection for low-income Marylanders.

The modest increases to certain court filing fees would result in Maryland's filing fees remaining at or below national averages. Additionally, low-income individuals who cannot pay filing fees may file fee waivers to avoid paying filing fees. Therefore, low-income Marylanders would not be at risk of increased costs due to this bill.

CLS urges favorable consideration of SB 232.

SB 232 - CLC letter of support 1.22.21.pdf

Uploaded by: Roth-Gormley, Shana

Position: FAV



Jan. 22, 2021

Senator William C. Smith, Jr., Chair
Senate Judicial Proceedings Committee

SB 232

Re: Support for Senate Bill 232 Civil Cases - Surcharges

Dear Chairperson Smith and Honorable Members of the Senate Judicial Proceedings Committee:

Thank you for the opportunity to submit testimony supporting SB 232, a bill to increase court filing fee surcharges to fund the Maryland Legal Services Corporation (MLSC). This funding has been critical in supporting MLSC, Maryland's primary funder of civil legal aid. MLSC provides funding – in the form of basic operating expenses – 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 232 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.

SB 232 would meet the need by modestly increasing the surcharge on civil court filing fees (increases would be between \$5 and \$20 per case). Even with these increases, Maryland's filing fees would remain at or below national averages. These filing fee surcharges are one of MLSC's two major funding sources. The other, the Interest on Lawyer Trust Accounts (IOLTA) program, has seen significantly reduced funding as a result of near zero interest rates, levels 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 their voice 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 and reverse the cycle of disinvestment. 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.

We urge a **favorable report** on SB 232, 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

Testimony_SB 232-CivilCases-Surcharges_MSBA_Suppor

Uploaded by: Scurti, Judge Mark

Position: FAV



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fax 410-685-1016 | tdd 410-539-3186
msba.org

To: Members of the Senate Judicial Proceedings Committee

From: Hon. Mark F. Scurti, President, Maryland State Bar Association

Date: January 26, 2021

Subject: **Senate Bill 232- Civil Cases - Surcharges**

Position: **Support**

The **Maryland State Bar Association (MSBA) SUPPORTS Senate Bill 232 - Civil Cases - Surcharges**. 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, 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.

The **MLSC is the largest provider of civil legal aid in Maryland**. It currently provides funding to 37 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 the 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 access to justice for all Marylanders. 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



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has decimated all MLSC funding streams. The MSBA believes that the current MLSC fiscal condition represents an ominous danger to Maryland's overall well-being.

While the MSBA is genuinely mindful of fees related to access to Maryland's courts, we would point out that, in the aggregate, court filing fees in Maryland are significantly lower than those of most states in the nation. For that reason, we regard the surcharge increases proposed in SB 232 as a wise investment in helping Maryland families navigate the uncertain economic conditions ahead.

Accordingly, the **MSBA SUPPORTS Senate Bill 232, and urges a Favorable Committee Report.**

SB232_MNADV_FAV.pdf

Uploaded by: Shapiro, Melanie

Position: FAV



BILL NO: Senate Bill 232
TITLE: Civil Cases - Surcharges
COMMITTEE: Judicial Proceedings
HEARING DATE: January 26, 2021
POSITION: **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 Judicial Proceedings Committee to issue a favorable report on SB 232.**

Senate Bill 232 allows for an increase in court filing fees to prevent further reductions in funding to Maryland Legal Services Corporation (MLSC), 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 filing surcharge fee in SB 232 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 232.**

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 232 - Civil Cases - Surcharges - Delivery of Le

Uploaded by: Siri, Michelle

Position: FAV



The Delivery of Legal Services Section Council

BILL NO: Senate Bill 232
TITLE: Civil Cases - Surcharges
COMMITTEE: Judicial Proceedings
HEARING DATE: January 26, 2021
POSITION: **SUPPORT**

The Delivery of Legal Services Section (DLS) is a section of the Maryland State Bar Association formed to promote the fair administration of justice in the State of Maryland. The Section supports and encourages free or low cost legal services for people of limited means through legal services programs for the indigent, public interest legal organizations, pro bono publico, reduced fee, and other alternatives to traditional fee-for-service representation to provide access to the courts, and court alternatives for the resolution of disputes. The areas include legal practice and legal reform for the indigent and persons of modest means, for example, civil rights, consumer advocacy, civil and criminal legal services, and lawyer referral services. The Section Council is comprised of a mix of practicing attorneys, including those working for civil legal aid organizations, private practitioners, and government attorneys, who all share a common goal: increasing access to justice.

The DLS strongly urges a favorable bill on Senate Bill 232. SB 232 allows for a modest increase in court filing fees to avert further reductions in funding to the Maryland Legal Services Corporation (MLSC), which provides essential funding for the provision of civil legal services to low-income Marylanders after the Maryland General Assembly created it in 1982 to be the state's primary funder of civil legal aid. This increase would allow MLSC to continue its important work, while still keeping the average costs for filing fees in Maryland below the national average. 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.

As funding for legal services has decreased, the demand for civil legal aid has grown as Marylanders deal with the effects of the pandemic. MLSC grantees help low-income Maryland residents with evictions, foreclosures, family law issues, consumer debt, access to benefits and more. Low-income clients served by MLSC grantees and other approved legal services providers receive an automatic filing fee waiver. Furthermore, because the General Assembly and the Courts have recognized the need for fee waivers for low-income individuals, it is important to also clarify that surcharges in summary ejectment cases should not be passed on to tenants.

It is vitally important to secure additional funding for MLSC. A decrease in funding for MLSC in turn creates uncertainty and instability for organizations providing these critical services; without the funding survivors of domestic violence would be forced to face their abusers alone, tenants who have lost their jobs due to the pandemic would be forced into eviction proceedings without



The Delivery of Legal Services Section Council

understanding their legal rights, Marylanders entitled to government aid and benefits would have to navigate the complicated systems on their own, and many others would be left in a similar position – without access to legal counsel whilst facing the loss of fundamental rights to safety, housing, employment, and more.

For these reasons, the DLS strongly supports SB232 and urges a favorable report.

SB 232 - Civil Cases - Surcharges.pdf

Uploaded by: Siri, Michelle

Position: FAV

BILL NO: Senate Bill 232
TITLE: Civil Cases - Surcharges
COMMITTEE: Judicial Proceedings
HEARING DATE: January 26, 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 232 allows for a modest increase in court filing fees to avert further reductions in funding to the Maryland Legal Services Corporation (MLSC), which provides essential funding for the provision of civil legal services to low-income Marylanders after the Maryland General Assembly created it in 1982 to be the state's primary funder of civil legal aid. This increase would allow MLSC to continue its important work, while still keeping the average costs for filing fees in Maryland below the national average.

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 emergency services such as hotlines, shelters, and counseling programs². This is because access

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).

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

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 SB232 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.

³ *Id.*

Catholic Charities of the Archdiocese of Washingto

Uploaded by: Thompson, Kelly

Position: FAV

Bill: SB232 – Civil Cases – Surcharges
Submitting Organization: Catholic Charities of the Archdiocese of Washington, Inc.
Position: Support
Committee: Senate Judicial Proceedings

Catholic Charities of the Archdiocese of Washington strongly supports SB232 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, including both direct representation and pro bono, to help them begin to rebuild their lives. With this vital funding secured and enhanced, 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.

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.

Though not currently receiving MLSC funding, 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.

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, MLSC's two major funding sources have been greatly impacted. Coupled with the increased demand for immigration legal services, as well as civil legal services to resolve evictions and foreclosures, family law issues, consumer debt matters, and access to public benefits, the General Assembly must act to increase other sources of funding for legal aid providers to continue providing life-changing services.

Catholic Charities of the Archdiocese of Washington appreciates your consideration and respectfully urges you to support Senate Bill 232.

CC - SB232 - Civil Cases - Surcharges.pdf

Uploaded by: Vaughan, Regan

Position: FAV

**Senate Bill 232
Civil Cases - Surcharges**

Senate Judicial Proceedings Committee
January 26, 2021

Support

Catholic Charities of Baltimore strongly supports SB 232, which institutes a modest increase to surcharges on certain court filing fees, a long-standing source of funding for 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 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 232. 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 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 232 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 232.**

Submitted By: Regan K. Vaughan, Director of Advocacy

Public Justice Ctr testimony SB 232 FWA.pdf

Uploaded by: Hill, Matt

Position: FWA



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SB 232 - Civil Cases – Surcharges

Hearing before the Judicial Proceedings Committee on January 26, 2020

Position: Favorable With Amendments

SB 232 will fill a critical budget gap for legal services in Maryland through a small increase in the filing fee surcharge directed to the Maryland Legal Services Corporation (MLSC). Grants from MLSC comprise a significant portion of the Public Justice Center’s annual legal services budget for providing advice and representation to over 700 low-income tenant households facing eviction and serious property defects each year.

Without the proposed surcharge, MLSC will be forced to decrease its grant funding to organizations like the Public Justice Center (PJC), which will then require the PJC to likely lay off attorney and paralegal staff.

Such a reduction in legal services to tenants facing eviction could not come at a worse time. Even before COVID-19, PJC already had to turn away hundreds of applicants for assistance annually because of our limited resources. With the pandemic continuing to rage and over 2,500 households evicted in Maryland from March through November 2020, the need for legal representation for tenants facing eviction has never been greater.

Legal representation works. According to one recent study in Baltimore City by Stout Risius Ross, 92% of tenants with representation in eviction cases avoid the disruptive displacement of their family. This is in part because legal representation levels the playing field: While 96% of landlords are represented by attorneys or specialized agents, only 1% of tenants are represented in eviction cases. The study is available at <https://bmorerentersunited.org/rtc/>

We also agree with the position that this increased surcharge should not be passed on to tenants who are facing eviction because such a fee only makes it more difficult for a tenant to remain in stable, affordable housing. To that effect, we urge the Committee to adopt an amendment that will strengthen the provision in the bill that seeks to prohibit passing on the surcharge to tenants facing eviction. The current draft does not provide the tenant a remedy if an unscrupulous

The Public Justice Center is a 501(c)(3) charitable organization and as such does not endorse or oppose any political party or candidate for elected office.

landlord does pass on the fee. Further, we are concerned that unscrupulous landlords will create an end-run around the prohibition as drafted. For example, many landlords already use specialized eviction court agents to file rent complaints and represent them in court. Such a rent court agent could pay the increased surcharge themselves, pass that fee on to the landlord, and then the landlord will pass that fee on to the tenant as an increased “agent fee.” We are currently working on amendment language that will strengthen the prohibition on passing the surcharge through to tenants facing eviction and will provide suggested language to the Committee.

Please issue a report of FAVORABLE WITH AMENDMENT on SB 232. If you have any questions, please contact Matt Hill, hillm@publicjustice.org, 410-625-9409, ext. 229.

MMHA - 2021 - SB 232 - Unfavorable .pdf

Uploaded by: Wiggins, Grason

Position: UNF



Senate Bill 232, Civil Cases - Surcharges

Committee: Judicial Proceedings Committee
Date: January 26, 2021
Position: Unfavorable

This testimony is offered on behalf of the Maryland Multi-Housing Association (MMHA). MMHA is a professional trade association established in 1996, whose members consist of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities. Our members house over 538,000 residents of the State of Maryland. MMHA also represents over 250 associate member companies who supply goods and services to the multi-housing industry.

Senate Bill 232 increases the surcharge amount from \$55 to \$75 that the State Court Administrator may assess as part of the Administrator's determination of the amount of court costs and charges in civil cases. Moreover, the bill increases the surcharge that the Chief Judge of the District Court may assess for summary ejectment cases and all other civil cases. Specifically, the bill increases the amount for summary ejectment cases from \$8 to \$13 and from \$18 to \$24 for civil cases.

By raising filing fees and barring landlords from collecting fees from tenants who have not paid their rent, Senate Bill 232 ensures that rent prices will be increased on all tenants. Pursuant to Maryland law, landlords' are provided with one option when a tenant fails to pay rent – file for eviction. When the price of eviction cannot be passed on to the tenants that have failed to pay their rent, the price is unfairly passed on through rent increases levied against tenants that have paid.

Senate Bill 232 precludes collection of all surcharge fees solely in eviction cases. Historically these charges have always been collectable from defendants. This selective and fundamentally unfair proposition is nothing less than an unprecedented tax on access to Maryland's courts assessed upon a single type of our state's essential business and corporate citizenry and will do nothing to stem the tide of future eviction filings. This action is unprecedented. Instead of precluding landlords from collecting filing fees from tenants who have failed to pay their rent, the state should be focused on ensuring that rental assistance money is quickly and appropriately distributed.

In the midst of a pandemic that has resulted in unprecedented rent delinquencies, Senate Bill 232 increases eviction filing fees for cases that are not currently being scheduled. Pursuant to court guidance, and with respect to potential federal actions, eviction cases may not be scheduled until late 2021 at the earliest. Increasing filing fees and removing the ability to recoup those fees from tenants will do nothing to solve Maryland's current crisis.

To avoid increased rent prices for all tenants, MMHA offers the following amendment to Senate Bill 232:

On page 4, line 1, strike **“THE SURCHARGE FOR A SUMMARY EJECTMENT CASE UNDER § 2 8–401 OF THE REAL PROPERTY ARTICLE MAY NOT BE PASSED ON TO A TENANT BY THE COURT OR BY A LANDLORD.”**

For the aforementioned reasons, MMHA respectfully requests an unfavorable report on Senate Bill 232.

Grason Wiggins, MMHA Senior Manager of Government Affairs, 912.687.5745