



SB 384 - Landlord and Tenant – Stay of Eviction Proceeding for Rental Assistance

Determination

**Hearing before the Judicial Proceedings Committee,
Feb. 15, 2022**

Position: SUPPORT (FAV)

Arundel Community Development Services, Inc. (ACDS) serves as Anne Arundel County’s nonprofit housing and community development agency, helping Anne Arundel County residents and communities thrive through the provision of safe and affordable housing opportunities, programs to prevent and end homelessness, and community development initiatives. In fulfilling this role, ACDS administers grants to nonprofit partners, directly develops and implements programming, and advises the County on housing and community development policy initiatives. **ACDS administers Anne Arundel County’s Emergency Rental Assistance Program (ERAP) by operating its own tenant-based rental assistance program and by working with sub-grantees who also distribute the County’s ERAP funds.**

We urge the Committee to issue a favorable report on SB 384.

In the wake of the COVID-19 pandemic, Maryland has unprecedented funding to prevent evictions. However, the lack of a procedural mechanism for inserting the availability of that rental assistance funding into the legal process for evictions is resulting in unnecessary evictions in cases where rental assistance is available to prevent those evictions. This bill presents an effective, reasonable solution by:

1. Providing the Court Authority to Temporarily Pause the Eviction Process.

Right now, there is no statutory authority for the Court to pause the eviction process related to rent assistance. This sets up a nightmarish race between the ERAP agency/tenant and the eviction process. SB 384 mandates a stay on Failure to Pay Rent proceedings, on a case-by-case basis, if a judge determines that a good faith rental assistance application to resolve the debt is pending. The time can then be used to complete processing of rental assistance applications so that *tenants will not be evicted when there is money to pay the rent.*

2. **Aligning the Pace of Eviction Processes with the Ability of ERAPs to Process Applications and Issue Payments.**

Virtually all emergency rental assistance programs prioritize and rush the processing of applications for tenants scheduled for eviction. However, finding out who is going to be evicted, and when, a reasonable amount of time before the eviction actually takes place is like trying to finding the proverbial needle in a haystack. Every jurisdiction handles evictions differently, and information available to try to sleuth out the when, where and who of evictions is completely inconsistent across jurisdictions. Failure to pay rent cases are largely paper based files, so online access to eviction information that would allow ERAPs to plan ahead is non-existent. As a result, in order to make use of available rental assistance funds to prevent scheduled evictions, many ERAPs, including ACDS, have had to come up with elaborate, pieced-together methods for dealing with emergencies, involving local Sheriffs or constables, court clerks, judges, property managers, tenants and ERAP staff and legal services providers who are *constantly in emergency-mode* to prevent evictions often with a few days' advance notice, or less.

The ACDS rental assistance program now has access to the Sheriff's eviction calendar so **we can learn *where and when*** evictions are scheduled to take place, ***but we often have no idea who*** is scheduled to be evicted without incredibly labor-intensive staff activity contacting all the locations where evictions are scheduled so we can determine if tenants with rental assistance applications are scheduled. Other jurisdictions have access to warrants for possession issued by the courts, so ***they know who*** is at risk of eviction, ***but they have no idea when*** those evictions will be scheduled to take place, so they are tasked with locating all those tenants who have applications for rental assistance pending in a race to beat the eviction date. Still others don't have access to any hints regarding upcoming evictions, so their first notice is a panicked call from someone who has been told they are scheduled for eviction.

Once tenants with evictions are scheduled are identified, all chaos breaks loose. Staff are pulled off processing non-emergency applications to process the emergency application, tenants are connected with legal services to have motions for stays filed with the court, court clerks are asked to rush the motions to a judge for emergency review and ruling, judges have to rule on an emergency basis, and the Sheriff has to be brought into the loop so they know whether or not the court has stopped a scheduled eviction or the rental assistance program has worked out an arrangement with the landlord to cancel the eviction. This bill would slow down the process so everyone can breathe, so disruption to several agencies can be avoided, so extreme distress to tenants can be avoided, and so funds can still be paid to landlords in a reasonable amount of time so ERAP-eligible tenants can remain housed.

3. Reducing Unfairness to Landlords in the Distribution of Rental Assistance Funding by Eliminating the Incentive for Landlords to Sue Tenants and Schedule Evictions.

As noted, virtually all emergency rental assistance programs prioritize and rush the processing of applications for tenants scheduled for eviction. Many landlords cooperate with their tenants and our rental assistance program so that rental assistance applications can be processed and landlords can be paid without the involvement of the court process. Or, even if the landlord does file and get a judgment for eviction, many landlords will hold off on evicting the tenants against whom they have judgments so that rental assistance can be processed. However, our rental assistance program has noticed a pattern with certain landlords in Anne Arundel County – less than ten or so – that routinely schedule evictions for the sole purpose of getting their tenants’ applications prioritized and bumped to the front of the line for processing. This results in extreme disruption to the processing of applications from tenants with landlords who have not manipulated the system to “jump the line,” and results in the cooperative landlords having to wait longer than the landlords manipulating the system. This bill would **eliminate that unfairness by eliminating the ability of landlords to jump to the front of the line by scheduling their tenants’ evictions.**

For the reasons noted above, we urge a FAVORABLE report on HB 724.