



**SB 384: Landlord and Tenant – Stay of Eviction Proceeding for Rental Assistance Determination
HEARING BEFORE THE JUDICIAL PROCEEDINGS COMMITTEE, FEBRUARY 15, 2022 AT 1:00 PM
POSITION: SUPPORT**

The Pro Bono Resource Center of Maryland (“PBRC”), an independent 501(c)(3) non-profit organization, is the statewide thought leader, coordinator and 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. We respond to acute legal needs identified in areas across the state by piloting and operating innovative pro bono service projects targeting specific legal problems or populations.

In May 2017, with a grant from the Maryland Judiciary’s Access to Justice Department, PBRC launched the **Tenant Volunteer Lawyer of the Day Program (TVLD Program)** in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for their proceedings. Since that time we have expanded to provide day-of-court services in Baltimore County as well as extended representation services in both jurisdictions for clients in tenant holding over, breach of lease and escrow actions. Often among the poorest residents of Baltimore City and Baltimore County, tenants appearing in Rent Court are nearly always unrepresented and are often unaware of the judicial process or their rights as renters. PBRC has stepped in to fill that void in order to help tenants stay housed. **Based upon our expertise working with these tenants, PBRC supports SB 384 because it will prevent unnecessary judgments and evictions, encourage landlords to accept rental assistance funds and bring Maryland in line with other states that have already adopted similar best practices of pausing eviction proceedings based upon the availability of rental assistance.**

No one should be evicted when there is money to pay the rent – especially during a pandemic.

PBRC supports SB 384 because it will keep tenants housed by giving them a meaningful opportunity to access Rental Assistance before they have a judgment or eviction date. In 2021, Congress passed the Consolidated Appropriations Act, 2021 (Division N of P.L. 116-260) and the American Rescue Plan Act of 2021 (P.L. 117-2), in part to prevent evictions by providing financial assistance to landlords and tenants when the tenant has fallen behind on rent due to economic hardship related to the Coronavirus pandemic. However, these funds cannot fulfill their purpose of preventing eviction and making landlords whole if landlords are permitted to proceed with the eviction process when there is federal money available to pay the rent. SB 384 will help ensure access to these funds by mandating a stay to a Failure to Pay Rent proceeding if a judge determines that a good faith rental assistance application is pending.

In addition to keeping tenants housed, SB 384 would prevent some tenants from suffering the negative effects of Rent Court judgments. Even if a tenant is not ultimately evicted, the judgment itself can negatively impact a tenant’s ability to stay housed in the long term. A tenant who receives multiple judgments can lose the right to redeem - to avoid an eviction by paying the amount owed on a judgment. In addition, judgments

are public records which impair a tenant's ability to find future housing, impact their credit report and potentially diminish their ability to secure employment.

If a judgment has been entered, SB 384 will allow the Court to stay the eviction until a determination is made as to the tenant's eligibility for Rental Assistance and the funds are disbursed. These tenants are exactly the people Congress had in mind when it passed the legislation creating Rental Assistance, and they should have a meaningful chance to access the help their Congressional Representatives and Senators have provided.

At our TVLD clinics, we have seen countless judgments entered against tenants although they have applications pending with Rental Assistance. We have seen numerous landlords act on those judgments, requesting an eviction even though rental assistance funds are available and forthcoming. In addition to requiring the resources of the Judiciary, as well as local law enforcement agencies responsible for evictions, these actions cause unnecessary stress of tenants. Recently a PBRC staff attorney received a call from a tenant in great distress, desperate to learn if there was anything she could do to stop a scheduled eviction. The tenant had already applied to Rental Assistance but had not received any funds. The Staff Attorney coordinated with Rental Assistance to expedite her application so that her landlord could receive the funds in time to stop the eviction. Thankfully, there was a positive result for all parties concerned – the landlord was paid the money owed, and the tenant got to stay in her home. This story is one of many where the strain on the Court, law enforcement, legal services providers, and the tenant herself could have been prevented if SB 384's mandatory stay provisions had been in effect. In a recent survey 73% of pro bono attorneys in Maryland reported that in some, most, or all of their cases, renters faced eviction while waiting for rental assistance funds.

Although less common, PBRC also hears from tenants whose landlords have categorically refused to accept Rental Assistance. This flies in the face of the Congressional intent in making these funds available and results in increased strain on the Judiciary, law enforcement, and tenants alike. **SB 384 would encourage landlords to accept federal funds and allow all tenants the opportunity to access the help they need as intended by Congress** by preventing landlords from using the courts to evict tenants when Rental Assistance funds are available. Should it be determined that a tenant is not eligible for Rental Assistance, the landlord may proceed with eviction as usual.

There can be no doubt that the COVID-19 pandemic has affected us all, but its effects have been particularly damaging to low-income Maryland tenants. Congress threw them a lifeline through Rental Assistance, and it is of great importance that they be permitted to grab it. **SB 384 will help tenants stay in their homes while ensuring that landlords are made whole financially.**

For the above reasons, **PBRC urges a FAVORABLE report on SB 384.**

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions.

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