February 22, 2022

To: The Honorable William C. Smith, Jr.

Chair, Senate Judicial Proceedings Committee

From: Vicki Schultz

Chair, Access to Counsel in Evictions Task Force

Re: Senate Bill 662 – Access to Counsel in Evictions Special Fund (SUPPORT)

The Maryland Access to Counsel in Evictions Task Force strongly supports Senate Bill 662, which requires the Comptroller to distribute \$11.8 million from the special fund created by \$17-101 of the Commercial Law Article to the Access to Counsel in Evictions Special Fund in Fiscal Year 2023. The Access to Counsel in Evictions Program is an effective strategy to prevent evictions, promote housing stability and address the disproportionate and devastating impact evictions have on people and communities of color.

As noted in the Task Force's first annual report in January 2022, funding the Access to Counsel in Evictions Program is an "urgent and critical need." Maryland Legal Services Corporation, the administrator of the Program, has projected that full implementation of the Program will require \$30 million per year. The Task Force estimated that the first year of phased implementation would require approximately \$12 million and, in November 2021, asked Governor Hogan to allocate federal rental assistance funds to the Special Fund to meet that need. As yet, no money has been deposited into the Special Fund.

To ensure the success of the Program, the Task Force has recommended an annual appropriation in the State's operating budget as the primary source of funding for the Special Fund. Stable funding is crucial. As the Task Force explained, "[f]luctuations that come from relying on intermittent funding sources could have deleterious impacts on staffing levels, outreach efforts, and more." The lack of any meaningful source of funding for the Program to date has delayed implementation of the Program and deprived low-income Marylanders facing

<sup>1</sup> That projection—which includes funding for legal services, required outreach and education, administration, and evaluation of the Program—will be revisited and changed as needed as implementation progresses.

<sup>&</sup>lt;sup>2</sup> Although the Department of Housing and Community Development recently announced that approximately \$5.4 million of the second phase of federal emergency rental assistance (ERAP 2) funds will be used for legal services, those funds have not yet been deposited into the Special Fund and there has been no formal announcement that they will ultimately be directed there.

eviction of the legal representation that they desperately need and the General Assembly intended to provide.

The General Assembly expressed its intent that the Access to Counsel in Evictions Program be fully implemented across the State by October 2025 and it directed that a phased implementation plan be established to accomplish that goal. Without meaningful funding for the Program, it will be impossible to meet that objective. Senate Bill 662 would provide the amount of funding that the Task Force identified as necessary for the first year of that phased implementation effort. The Task Force, therefore, respectfully urges that the Judicial Proceedings Committee report favorably on Senate Bill 662.