SB0662_AnnaLevy_FAV.pdf Uploaded by: Anna Levy Position: FAV

Anna Levy Rockville, MD 20852

TESTIMONY IN SUPPORT OF BILL SB0662/HB0724 Access to Counsel (ATC) in Evictions Special Fund - Funding

TO: Chair Smith, Vice Chair Waldstreicher, and members of the Judicial Proceedings Committee **FROM:** Anna Levy

My name is Anna T Levy, a resident of Rockville, MD, District 16. I am submitting this testimony in support of SB0662/HB0724, Access to Counsel (ATC) in Evictions Special Fund - Funding.

Safe and stable housing has far reaching economic, health, and social benefits to individuals, families, and communities, and is key to reducing racial inequities. Renters routinely have little agency when faced with threats to maintaining stable housing. As a Jewish person, I am taught that all people should have *dei machsoro*, resources sufficient for each person's needs. (Deut. 15:7-8) Consequently, society has an obligation to make sure that people can stay in their homes, especially during a time of pandemic.

Over 655,000 eviction cases were filed pre-pandemic each year in the State of Maryland among 805,000 renter households. A study of eviction actions in one local jurisdiction found that while only 1% of tenants are represented in eviction proceedings, approximately 96% of landlords are represented by an attorney or specialized agent in such cases. Providing a right to counsel to tenants in eviction cases is a proven means of preventing displacement of families and the resulting social, economic, and public health costs of loss of home. Renters who don't have the advantage of an attorney are typically unable to defend themselves even when they have a legitimate defense that would help to avoid eviction. Evictions create significant costs for state and local government related to funding for shelter and education, as well as health care provided in hospitals instead of by community–based providers, transportation costs for homeless youth, and foster care. An estimate from Renters United Maryland suggests the State would benefit from savings of \$62M for services described above if tenants had access to legal representation. Notably, evictions have a disparate impact on Black and brown households in Maryland. Reducing the numbers of evictions would help to reduce significant racial inequities and strengthen the financial status of individuals and our communities.

In 2021, the MD General Assembly passed the Access to Council bill, HB18, establishing Access to Counsel to provide legal service to low-income tenants. However, no source of funding was established to support these critical services. The recent Access to Counsel in Evictions Task Force report calls on the State to allocate \$11.8 million to support the program in FY2023 and move to full implementation in FY2025. SB0662/HB0724 would transfer \$11.8 million from the Abandoned Property Fund to the Access to Counsel in Evictions Fund in FY2023. This would help over 9,700 at-risk Maryland families avoid eviction this year. Funding from federal money has been available to local legal services providers to successfully represent thousands of residents facing eviction or eviction-related issues and help them to remain in safe housing. However, these federal funds are running out. Legal services providers

already cannot meet the current needs for representation. Therefore it is now even more critical that funding for Access to Counsel be allocated.

I respectfully urge a strong report from the Committee in support of passage of SB0662/HB0724.

SB0662_Arielle Juberg_FAV.pdf Uploaded by: Arielle Juberg

SB0662, Access to Counsel in Evictions Special Fund - Funding Favorable Testimony

To: Chair Smith, Chair Guzzone, members of the Judicial Proceedings Committee, and members of the Budget and Taxation Committee From: Arielle Juberg, Baltimore, MD 21234

My name is Arielle Juberg. I am a resident of Baltimore County in District 8. I belong to Showing Up for Racial Justice (SURJ), which brings people together in Baltimore City, Baltimore County, and Howard County. SURJ is working in collaboration with CASA de Maryland and Renters United. I am testifying in **support** of SB0662, Access to Counsel in Evictions Special Fund – Funding.

SB0662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

I support SB0662 because I believe this essential program must be adequately funded. Without sufficient funding, last session's legislation will mean little to the tenants who cannot afford counsel in rent court. In the 2021 legislative session, HB0018 created a right to counsel program to provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but it is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City. The legislature already affirmed the belief that unequal access to counsel in eviction cases is not a just state of things. Without adequate funding, that affirmation will remain a hollow promise to Marylanders who need these services.

We must remedy this issue in order to give low-income tenants a fair opportunity to present their case in rent court. It is for these reasons I am strongly encouraging you to vote **in support** of SB0662. Thank you for your time, consideration, and service.

2022 JCRC SB 662- Access to Counsel in Evictions S

Uploaded by: Ashlie Bagwell Position: FAV



Inter-Group Relations • Social Justice Maryland • Virginia • Washington, DC • Since 1938

Testimony in SUPPORT of Senate Bill 662 – Access to Counsel In Evictions Special Fund - Funding Judicial Proceedings Committee February 22, 2022

The Jewish Community Relations Council of Greater Washington (JCRC) serves as the public affairs and community relations arm of the Jewish community. We represent over 100 Jewish organizations and synagogues throughout Maryland, Virginia, and the District of Columbia. The JCRC is strongly committed to cultivating a society based on freedom, justice, and pluralism. We work tirelessly throughout the entire Greater Washington area to advocate for our agencies that serve the most vulnerable residents, support our Jewish day schools and community centers, and to campaign for important policy interests on behalf of the entire Jewish community.

The JCRC recognizes that the right to counsel has a myriad of benefits for tenants and the communities they live in. Studies have shown that tenants with legal representation are much more likely to avoid an eviction judgment than unrepresented tenants. Additionally, attorneys may be able to keep eviction filings off tenants' records, arrange for alternative housing, and help tenants apply for rental assistance. The JCRC is committed to equity and justice for all in legal proceedings, thereby ensuring tenants have the right to legal representation in any eviction–related case.

Senate Bill 662 – Access to Counsel In Evictions Special Fund - requires the Comptroller to distribute \$11,800,000 of certain abandoned property funds to the Access to Counsel in Evictions Special Fund for fiscal year 2023. An allocation of \$11.8 million dollars in FY23 could help more than 9700 Maryland families avoid disruptive displacement in eviction actions. In 2021, the JCRC supported legislation for Maryland to become one of the first states to guarantee legal representation for income-eligible renters facing eviction - but only when there's funding. Tenants' attorneys have helped stave off the worst of the eviction crisis by enforcing "moratorium" protections, local emergency ordinances, and rental assistance agreements. SB 662 is the next step, ensuring that in 2022, the Access to Counsel in Evictions Special program is funded so that legal representation is provided, and in so doing, will help support tenants who face eviction. For these reasons, we ask the committee for a favorable report on SB 662.

Evictions have a disparate impact on black and brown households in the State and exacerbate the public health crisis due to Covid-19. Providing a right to counsel to tenants in eviction cases is a proven means of preventing the disruptive displacement of families and the resulting social, economic, and public health costs of such displacement.

e For these reasons, we ask the committee to give a favorable report to HB 712.

SB0662_ClaireLanders_FAV.pdf Uploaded by: Claire Landers

SB0662_ClaireLanders_FAV

Claire Landers, Baltimore, MD, 21209

TESTIMONY ON SB0662 - FAVORABLE Access to Counsel in Evictions Special Fund - Funding

TO: Chair Smith, Vice Chair Waldstreicher, and members of the Judicial Proceedings Committee

FROM: Claire Landers

My name is Claire Landers. I am a resident of Baltimore County in District II and submit this testimony in support of SB0662 to provide funding for Access to Counsel in Evictions.

I strongly support SB0662 because of my experience as a volunteer observer in Baltimore City Rent Court as part of The Abell Foundation study conducted by the Public Justice Center (PJC) and Right to Housing Alliance. Observing dozens of cases churn through Rent Court was a stunning revelation: Rent Court appeared to operate with less due process and judicial mercy toward tenants than Traffic Court proceedings I have been a part of, where drivers are afforded every opportunity to challenge and explain every manner of violation, from the minor to very serious. Some drivers pay attorneys to advocate for them to retain their driver's license. In Traffic Court, the majority of drivers receive reductions in violations and consequences; they leave the courtroom able to get behind the wheel and drive again.

Rent Court does not operate as we expect an American courtroom would for one reason: The vast majority of tenants do not have lawyers - and they need them.Virtually every renter I observed stood on their own, without having basic knowledge of their rights as a tenant nor legal background to advocate effectively for themselves. I saw tenants often *attempt* to make their case to the judge, explaining non-payment of rent with photos and paperwork evidence of disrepair, mold, rodent infestation or other problems.Yet, judges regularly informed tenants that "today's proceeding is not about evidence or disputes," but was limited to the question of whether or not the tenant had paid rent and should be subject to eviction. It was a grueling process to witness repeatedly. I can only imagine how devastating it was for renters who left court with an order to pack up and leave their home.

I venture to say that no one on this esteemed committee would ever have themselves - or the people they care about - appear without counsel in a legal proceeding that holds dire consequences: In the case of Rent Court, that means losing the roof over your head. It is incumbent upon us all to ensure that Maryland's rent courts become more fair and more equitable to all parties; that goal requires funding lawyers for those who can't afford one. I respectfully urge members of this committee to support SB0662 with a favorable report.

SB 662 (1).pdf Uploaded by: Cory Warren Position: FAV



1500 Union Ave., Suite 2000, Baltimore, MD 21211 Phone: 410-727-6352 | Fax: 410-727-6389 www.DisabilityRightsMD.org

Disability Rights Maryland

Judiciary Committee February 16, 2022

SB 662 – Access to Counsel in Evictions Special Fund – Funding

POSITION: SUPPORT

Disability Rights Maryland (DRM – formerly Maryland Disability Law Center) is the federally designated Protection and Advocacy agency in Maryland, mandated to advance the civil rights of people with disabilities. DRM works to increase opportunities for Marylanders with disabilities to be part of their communities and live in safe, affordable and accessible housing. This includes representing persons with disabilities in eviction proceedings to prevent unnecessary homelessness and institutionalization.

DRM <u>supports</u> SB 662. This legislation positively alters the Access to Counsel in Evictions Special Fund by allocating \$11.8 million in FY 23. This allocation would help thousands Maryland families avoid disruptive displacement in eviction actions. SB 662 would transfer \$11.8 million from the Abandoned Property Fund to the Access to Counsel in Evictions Fund in FY 2023. Because the Governor recently allocated \$5.4 million for this purpose, we support a sponsor amendment to reduce the amount sought in SB 662 to \$6.4 million.

The \$5.4 million proposed by Governor Hogan for counsel in eviction cases is insufficient because local jurisdictions are slated to lose about \$4.4M in one-time, federal funding for eviction representation that is running out. The State and local jurisdictions have used mostly federal money to expand access to counsel in FY 21 & 22. SB 662 provides necessary funding to align with recommendations from the Attorney General's Access to Justice Commission.

When tenants have access to counsel in eviction proceedings, their outcomes in Court improve. DRM frequently represents tenants facing evictions because of their disabilities. For example, DRM successfully dismissed three failure to pay rent (FTPR) actions against a client after showing the tenant paid rent for the months alleged on the complaints. DRM successfully preserved a client's tenancy asserting her rights to inherit the lease from her deceased mother, and therefore the landlord could not pursue an unlawful detainer. It is because these clients had representation that they remain housed.

Without DRM's representation, these families would have most certainly been evicted. SB 662 will allow DRM and other legal service providers to represent more families and prevent more unnecessary evictions. SB 662 advances Maryland's policy of affording the right to counsel in eviction proceedings. Access to Counsel has had a positive benefit for people with disabilities by providing housing security and preventing unnecessary institutionalization. Therefore, we encourage a favorable report. Thank you for considering our views.

Please do not hesitate to contact Kane Levings at kanel@disabilityrightsmd.org for any questions.

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Daryl Yoder

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District 12 and have been both a renter and a landlord in Baltimore County. I am testifying in support of Senate Bill 662.



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Daryl Yoder

309 Glenmore Ave.

Catonsville, MD 21228

Showing Up for Racial Justice Baltimore

SB662_MLSC_Fav.pdf Uploaded by: Deb Seltzer Position: FAV



Testimony Concerning SB 662 "Access to Counsel in Evictions Special Fund - Funding" Submitted to the Senate Judicial Proceedings Committee Hearing Date: February 22, 2022

Position: Favorable

Contact: Deb Seltzer, Executive Director, 410-576-9494 x1009, dseltzer@mlsc.org

Maryland Legal Services Corporation requests a favorable report on Senate Bill 662, enactment of which would direct a one-time distribution from the Abandoned Property Fund to the Access to Counsel in Evictions Special Fund.

MLSC is a legislatively created nonprofit organization with a mission 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. The Maryland General Assembly recognized the importance of civil legal services in rent court by passing the Access to Counsel in Evictions Program during the 2021 session. When funded, the Program will provide legal representation as well as related tenant outreach and education, ensuring low-income tenants facing loss of housing know their rights and have an advocate to guide them through the court process.

As the administrator of the Access to Counsel in Evictions Program, MLSC looks forward to building on our previous eviction prevention grants to ensure the Program proceeds effectively and efficiently, once funding is provided.

Legal aid attorneys working with current MLSC grantees have helped clients achieve a range of outcomes in their cases, including avoiding eviction, delaying eviction so the tenant has additional time to move, avoiding a loss of a housing subsidy, enforcing a tenant's rights under a lease and more. However, the large volume of eviction filings in Maryland paired with a lack of dedicated resources means that providers have never been able to reach more than a few thousand clients with full representation each year. The Access to Counsel in Evictions Program offers a chance to change that paradigm – but only with appropriate funding.

MLSC has estimated fiscal year 2023 costs of \$11.8 million for the Program. This estimate includes almost \$9.9 million for approximately 17,700 eviction prevention cases, with additional costs for the outreach and education required under the statue alongside administrative costs. This case figure includes assumptions based on the current reduced number of filings, the number of summary ejectment cases that typically make it to court and the need to phase in the Program over time. As the Program is implemented, we will be closely monitoring the data that underlies those assumptions so we can adjust if necessary.

Maryland has a long history of funding civil legal aid via the Abandoned Property Fund. However, it is important to note that the one-time distribution proposed in Senate Bill 662 is distinct from MLSC's ongoing distribution, which funds critical legal services for a wide range of issues, including family law,

consumer debt, benefits, protection from abuse and more. MLSC must continue its core work while also implementing the legislatively created eviction prevention program.

A distribution from the Abandoned Property Fund will jumpstart the Program with dedicated funding. MLSC asks for favorable consideration of Senate Bill 662.

SB0662_EmilyBlank_FAV.pdf Uploaded by: Emily Blank

My name is Emily Blank, and I am a resident of District 47a and also a member of Congregation Oseh Shalom in Laurel, MD. I ask you to pass Fund Access to Counsel in the 2022 session.

As someone nearing the end of my work life, I shudder to think what it would be like to lose my home due to loss of income, particularly in this time of COVID,, when the ability to practice good hygiene and social distancing is so important. Housing is important not only for one's physical health, but through that, one's labor productivity and overall quality of life.

Ninety-six percent of landlords have legal representation when they come to rent court, as opposed to 1% of the renters. The reason is at least partially because renters facing eviction are in financial distress, but the fact that most renters do not have legal counsel in rent court puts renters at a severe disadvantage in contesting evictions. The state needs to subsidize legal counsel for renters in order to give them a fighting chance so that such counsel is affordable for the poor and the near-poor.

Again, I respectfully urge this committee to return a favorable report of Fund Access to Counsel. It will eliminate much hardship.

Emily Blank3718 Shepherd St Brentwood, MD 20722 Congregation Oseh Shalom, Laurel, Maryland

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Erica Palmisano

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of



MD District 12. I am also a landlord of a property in Howard County who testified in support of Access to Counsel in Evictions in the 2021 session. I am testifying in support of Senate Bill 662.

Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, *"over 90% of housing providers are represented and over 90% of tenants are not."* This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill .

Thank you for your time, service, and consideration.

Sincerely, Erica Palmisano 5580 Vantage Point Rd, Apt 5, Columbia, MD Showing Up for Racial Justice Baltimore

SB 662--AOBA Statement--FAV.pdf Uploaded by: Erin Bradley



Bill No: SB 662-- Access to Counsel in Evictions Special Fund - Funding

Committee: Judicial Proceedings

Date: 2/22/22

Position: Favorable

The Apartment and Office Building Association of Metropolitan Washington (AOBA) represents members that own or manage more than 23 million square feet of commercial office space and 133,000 apartment rental units in Montgomery and Prince George's Counties.

Senate bill 662 requires the Comptroller to distribute \$11,800,000 from the abandoned property fund to the Access to Counsel in Evictions Special Fund for fiscal year 2023.

AOBA supports a dedicated funding source for the Access to Counsel in Evictions Special Fund that does not increase fees, or impose new fees, on housing providers or the rental housing industry.

For these reasons AOBA requests a favorable report on SB 662.

For further information contact Erin Bradley, AOBA Vice President of Government Affairs, at 301-904-0814 or <u>ebradley@aoba-metro.org</u>.

MMHA - 2022 - SB 662 - Favorable.pdf Uploaded by: Grason Wiggins



Committee:	Judicial Proceedings
Date:	February 22, 2022
Position:	Favorable

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 662 ("SB 662") directs \$11.8M in FY 2023 to the Access to Counsel in Evictions Special Fund. MMHA's position on funding for the Access to Counsel in Evictions Program ("A2C Program") has been consistent. Based on a sound budget analysis and implementation plan, MMHA supports allocation of funds to the A2C Program that do not burden housing providers who provide critical services to Maryland's residents. **To that end, SB 662 is certainly a more appropriate method to fund the A2C Program than unrecoverable court costs being levied against housing providers that are exercising their right to access the impartial judicial system.**

Please note that MMHA's support of SB 662 does not equal an endorsement of the budget analysis conducted by certain legal entities, which was based upon a report authored by the for-profit consulting firm Stout, Risius, Ross, LLC. Based on a sound budget analysis and implementation plan, MMHA expects that the \$11.8M allocated in SB 662 will support the A2C Program for multiple years.

SB662 Final.pdf Uploaded by: Gregory Countess Position: FAV







STATEWIDE ADVOCACY SUPPORT UNIT

Cornelia Bright Gordon, Esq. Director of Advocacy for Administrative Law (410) 951-7728 cbgordon@mdlab.org

> Gregory Countess, Esq. Director of Advocacy for Housing & Community Economic Development (410) 951-7687 gcountess@mdlab.org

Anthony H. Davis, II, Esq. Director of Advocacy for Consumer Law (410) 951-7703 adavis@mdlab.org

> Erica I. LeMon, Esq. Director of Advocacy for Children's Rights (410) 951-7648 elemon@mdlab.org

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> www.mdlab.org 01.2022



February 21, 2022

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

The Honorable Guy Guzzone Maryland Senate Budget and Taxation Committee 3 West Miller Senate Office Building Annapolis, Maryland 21401

RE: Maryland Legal Aid's Written Testimony in Support of SB662 – Access to Counsel in Evictions Special Fund -Funding

Dear Chairpersons Smith and Guzzone and Committee Members:

Thank you for the opportunity to present testimony in support of SB 662, a bill that seeks to address the continuation of funding for vital legal services to low-income persons facing evictions in Maryland. Maryland Legal Aid (MLA) is a private, non-profit law firm that provides free legal services to indigent Maryland residents. From 12 offices around the state, MLA helps individuals and families in every Maryland county with many civil legal issues, including housing, consumer, public benefits, and family law matters. MLA also represents abused and neglected children and provides legal assistance to senior citizens and nursing home residents. This letter serves as notice that Gregory Countess, Esq. will testify on behalf of Maryland Legal Aid.

Maryland set protections for tenants at the beginning of the COVID-19 pandemic to mitigate the effects of job loss and avoid catastrophic homelessness. The Maryland General Assembly recognized that supporting legal services, including counseling tenants facing eviction, was vital to an efficient judicial process. As a result, the Maryland Legal Services Corporation received a onetime increase in funding from the Abandoned Property Fund in the 2021 legislative session. The Maryland Legal Services Annual Report details the loss of funding from IOLTA and court filing fees directly related to the pandemic. ¹ However, as Maryland Courts have reopened, the difficulties unrepresented renters face with housing insecurity has not abated, even with federal funds directed to prevent loss of shelter. SB 662 recognizes that the need for civil legal services through targeting funds for Access to Counsel in eviction cases continues as the pandemic transitions into an endemic housing instability increases, and low-income Marylanders' need for legal services grows.

In its funding request to Congress for the fiscal year 2022, the Legal Services Corporation (LSC) requested an increase in funding based on a projected increased need for civil legal services resulting from the pandemic. The Legal Services Corporations request expects "... the number of people seeking legal assistance to increase significantly over the next several years. LSC grantees across the country desperately need additional resources to assist vulnerable people facing increases in evictions, foreclosures, domestic violence, and problems with unemployment insurance and consumer scams." "Civil legal aid is critical to ensuring that federal policy responses aimed at pandemic relief for low-income Americans are arried out. Legal Aid supports the federal response to COVID-19 so that the intended beneficiaries of relief packages actually receive the appropriated financial, housing and health support Congress intended." ²

The number of eviction cases nationally is increasing, and tenants are often without counsel in many states, including Maryland. The LSC report notes that between 2019 and 2020, housing-related cases rose from 17.1% to 36.1% for all LSC grantees. ³ The Maryland Attorney General's COVID-19 Access to Justice Task Force Reports states that in Baltimore, 1% of tenants had counsel during eviction proceedings, while 96% of landlords had counsel or were represented by an agent. ⁴ The Access to Justice report also projected that 320,000 renter households could be unable to afford their rent by the end of 2021. ⁵

The right to housing is a principle established in the Universal Declaration of Human Rights, and access to counsel to protect that right from arbitrary deprivation is also a precept propounded in the Declaration. ⁶ Under the current scheme, tenants cannot effectively protect their right to housing. They face an unfamiliar court system and landlords who are experts in navigating the

¹<u>MLSC-FY21-Annual-Report.pdf</u>, p.6.

² <u>2022 Budget Request | LSC - Legal Services Corporation: America's Partner for Equal</u> <u>Justice.</u> p.3.

³ <u>2022 Budget Request | LSC - Legal Services Corporation: America's Partner for Equal</u> <u>Justice.</u> p.4.

⁴ AG_Covid_A2J_TF_Report.pdf (marylandattorneygeneral.gov. P.9.

⁵ AG_Covid_A2J_TF_Report.pdf (marylandattorneygeneral.gov. P.18.

⁶ <u>https://www.un.org/en/udhrbook/pdf/udhr_booklet_en_web.pdf</u>.

eviction process. Tenants need representation for fundamental fairness and justice in this process. Thus, providing funding to access counsel is necessary to ensure Maryland is in accordance with these human rights laws. For these reasons, MLA asks for a favorable report on SB 662.

<u>/S/ Gregory Countess</u> Gregory Countess, Esq. Director of Advocacy for Housing and Community Development 410-951-7687 gcountess@mdlab.

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Holly Powell

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District **46.** I am testifying in support of Senate Bill 662.



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely,

Holly Powell 2308 Cambridge Street Baltimore, Maryland 21224

Brian Seel 223 S. Wolfe Street Baltimore, Maryland 21224

Showing Up for Racial Justice Baltimore

SB0662_JeffreyRubin_FAV.pdf Uploaded by: Jeffrey Rubin

February 22, 2022

Jeffrey S. Rubin Potomac, MD 20854

TESTIMONY ON SB0662 – POSITION: FAVORABLE ACCESS TO COUNSEL IN EVICTIONS SPECIAL FUND - FUNDING

TO: Chair Smith, Vice Chair Waldstreicher, and members of the Judicial Proceedings Committee FROM: Jeffrey Rubin

My name is Jeffrey Rubin. I am a resident of District 15. I am submitting this testimony in support of SB0662, Access to Counsel in Evictions Special Fund - Funding.

In his Pulitzer Prize-winning book about eviction and poverty in America, Matthew Desmond painted a vivid picture of the harm that befalls an individual, a family and its community as a consequence of eviction. It's a toxic blend of psychological instability, emotional turmoil, potential job loss, disruption of children's education, loss of property, and degradation of community spirit.

A growing amount of evidence has shown that the lack of legal representation for tenants during eviction proceedings has a hugely negative effect on their ability to avoid losing their homes. In recent years, landlords in Maryland have had some form of representation in Rent Court in ~95% of cases, whereas renters have been represented in only ~5% of cases. Not surprisingly, renters have rarely prevailed in court. By contrast, in jurisdictions where renters have had a right to counsel they have been victorious in over 80% of cases.¹ Trends suggest that landlords in these jurisdictions have begun to seek remediation more often rather than routinely filing for eviction because they have learned that this is a more cost effective way to resolve disputes. Consequently, renters have been far less likely to lose their homes and courts have been less overwhelmed with an outrageous number of eviction cases.² Moreover, a report in 2020 indicated that implementation of the right to counsel in Baltimore City would save the local government ~\$18M in expenses for housing, foster care, transportation and related expenses for the evicted population.³

Last year the Maryland General Assembly took an important step to remedy this problem by passing Access to Counsel legislation. However, this notable achievement has little practical value until funds are allocated for low-income renters to receive the legal counsel they deserve and critically need. SB0662 provides a source of funding that would enable legal representation for a large number of renters facing eviction in 2023. In all likelihood, this funding would have a beneficial impact on the majority of these renters, their families and communities by preventing them from losing their homes. **For this reason, I respectfully urge a favorable report for SB0662**.

¹Just the Facts: Right to Counsel Stops Evictions in NYC; Right to Counsel NYC Coalition, 2020.

²Prior to the COVID pandemic, over 600,000 eviction proceedings had been filed annually in Maryland, corresponding to ~80% of rental units. In contrast, the eviction filing rate is ~5% in Pennsylvania and ~16% in Virginia. From Attorney General Brian Frosh, press conference December 28, 2020.

³The Economic Impact of an Eviction Right to Counsel in Baltimore City; Stout, 2020.

Health Care for the Homeless - SB 662 FAV - Fundin

Uploaded by: Joanna Diamond Position: FAV

HEALTH CARE FOR THE HOMELESS TESTIMONY <u>IN SUPPORT OF</u> SB 662 – Access to Counsel in Evictions Special Fund - Funding



Senate Judicial Proceedings Committee February 22, 2022

Health Care for the Homeless supports SB 662. Passed in 2021, HB 18 mandates that all limited-income tenants in eviction cases "shall have access to legal representation as provided under this subtitle." RP § 8-902. It is time for the General Assembly to fulfill this promise. SB 662 would transfer \$11.8 million from the Abandoned Property Fund to the Access to Counsel in Evictions Fund in FY 2023. Because the Governor recently allocated \$5.4 million for this purpose, we support a sponsor amendment to reduce the amount sought in SB 662 to \$6.4 million. With 62% of Maryland renters feeling "very" or "somewhat" likely to be evicted in the next 2 months, we cannot wait. Maryland residents facing eviction right now are disproportionately people of color, and the majority have children in their households.

An allocation of \$11.8 million in FY 23 would help 9,762 Maryland families avoid disruptive displacement in eviction actions. The Access to Counsel in Evictions Task Force issued a report laying out a framework for equitable, effective implementation. The Task Force called on the State to allocate \$11.8 million in FY 23, moving to full implementation by 2025. The General Assembly's Spending Affordability Committee recommended \$14 million for FY 23 for implementation. Relying on court data and analysis from Stout Risius Ross, the MD Legal Services Corp. (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need.

The \$5.4 million proposed by Governor Hogan for counsel in eviction cases is insufficient because local jurisdictions are slated to lose about \$4.4M in one-time, federal funding for eviction representation that is running out. The State and local jurisdictions have used mostly federal money to expand access to counsel in FY 21 & 22.

In the last six months of 2021, just four legal services providers represented 1,284 MD residents facing eviction and prevented the disruptive displacement of residents in 88% of those cases. These organizations provided advice to another 2,626 facing eviction-related issues. Lawyers from these orgs assisted tenants with many defenses including: severe conditions of disrepair, retaliation, lack of landlord licensing/lead paint compliance, illegal/excessive fees or non-rent charges, payment already made, not a substantial breach of the lease, and others. A significant part of the funding for these cases will be spent in FY 22 and tenants will lose current levels of representation if implementation of Access to Counsel in Evictions is not fully funded. Further, implementing Access to Counsel also means increased tenant outreach and education so that residents can know their rights and access resources such as rental assistance.

Legal services providers report being unable to meet current demand. Legal services providers such as Community Legal Services of Prince George's County and Public Justice Center report that in the last 6 months, they have only been able to provide representation to appx. 1/3 of renter clients due to lack of capacity.

Similarly, for same-day in-court services, Pro Bono Resource Center of Md. estimates that – due to limited capacity - it has reached less than 1/3 of renters who are in need of legal representation in Baltimore County. Representation balances the scales and saves the state money. Over 90% of landlords are represented by an attorney or specialized agent while over 90% of tenants are not. Counsel is 92% effective in preventing disruptive displacement in evictions according to a study of one jurisdiction in Maryland. By fully implementing Access to Counsel, the State can help level the scales and save an estimated \$62M from reduced emergency room, shelter, and foster care costs. It is much less expensive to keep people housed than provide services when they are homeless.

The General Assembly must act to fully fund Access to Counsel in Evictions to prevent the law from becoming an empty promise. Health Care for the Homeless is a member of the Renters United Maryland coalition and asks that the Committee issue a report of FAVORABLE on SB 662 with any sponsor amendment.

Renters United Maryland is a coalition of independent non-profit, legal services, and community-based organizations. In 2022, Renters United Maryland calls on the General Assembly to ensure that Maryland's COVID recovery isn't leaving renters behind. See Renters United Maryland's Housing Justice plan for the 2022 legislative session here: <u>https://rentersunitedmaryland.org/</u>.

Health Care for the Homeless is Maryland's leading provider of integrated health services and supportive housing for individuals and families experiencing homelessness. We work to prevent and end homelessness for vulnerable individuals and families by providing quality, integrated health care and promoting access to affordable housing and sustainable incomes through direct service, advocacy, and community engagement. We deliver integrated medical care, mental health services, state-certified addiction treatment, dental care, social services, and housing support services for over 10,000 Marylanders annually at sites in Baltimore City and Baltimore County. For more information, visit <u>www.hchmd.org</u>.

BaltimoreCounty_FAV_SB0662.pdf Uploaded by: Joel Beller Position: FAV



JOHN A. OLSZEWSKI, JR. County Executive

JOEL N. BELLER Acting Director of Government Affairs

JOSHUA M. GREENBERG Associate Director of Government Affairs

MIA R. GOGEL Associate Director of Government Affairs

BILL NO.:	Senate Bill 662
TITLE:	Access to Counsel in Evictions Special Fund - Funding
SPONSOR:	Senator Zucker
COMMITTEE:	Judicial Proceedings
POSITION:	SUPPORT
DATE:	February 22, 2022

Baltimore County **SUPPORTS** Senate Bill 662 – Access to Counsel in Evictions Special Fund -Funding. This legislation would provide significant additional funding for the abandoned property funds to the Access to Counsel in Evictions Special Fund for fiscal year 2023.

At the onset of the COVID-19 Pandemic, Baltimore County Executive Olszewski acted quickly in the face of rising rates of unemployment and growing economic insecurity to keep Baltimore County residents in their homes. The County created its first Department of Housing and Community Development, bringing its housing resources together to ensure a concerted and coordinated effort to prevent evictions throughout the pandemic and in years to come. With assistance from the State and Federal governments, and through innovative partnerships such as the STEP Program with United Way, the County has prevented thousands of resident evictions to date.

Residents who are facing eviction currently often do not have the disposable income required to hire representation in the event of an eviction proceeding. The Access to Counsel in Special Evictions fund was created to make resources available for those residents engaged in an eviction proceeding who cannot afford representation. SB 662 would shift \$11,800,000 from abandon property funds to the Access to Counsel Evictions Special Fund for the FY 23 budget. This necessary, one time change, reflects the urgency of this issue and would support the County's efforts to keep residents in their home.

Accordingly, Baltimore County requests a **FAVORABLE** report on SB 662. For more information, please contact Joel Beller, Acting Director of Government Affairs at jbeller@baltimorecountymd.gov.

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Jonathan Smeton

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD **District 40. I am testifying in support of Senate Bill 662.**



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

I have had my fair share of difficult landlord situations after living in several places in Baltimore City. While I have never been pushed into precarity enough to not pay my rent on time, I've lived in houses well below code that lacked proper heating, had plum sized holes in floors, and exposed electrical wiring, which could have been remedied if I had had the expertise to learn about what my rights were as a renter. It was only when I coincidentally a new friend's mother was a lawyer that specialized in renter's rights that I became aware of all the ways landlords had benefited from my lack of access to experts. Having access to this person's expertise, allowed me resources at the right time, meant I was able to remove illegal terms from lease agreements and negotiate rent reductions when large areas of my home were being repaired for months on end. Access to experts can really make a difference for renters' lives, especially when they are about to be pushed from the precipice into homelessness

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Jonathan Smeton Baltimore, MD 21211 Showing Up for Racial Justice Baltimore

Support funding a right to counsel for tenants.pdf Uploaded by: Josh Silver

Testimony in Favor of Funding the Right to Counsel (SB662 and HB724)

We urge you to support and help pass the bills that fund the right to counsel (SB662 and HB724) currently being considered in the State House and Senate. These bills would provide about \$12 million to fund the provision of legal counsel to tenants facing eviction proceedings. Currently, a huge imbalance in power and knowledge exists in which landlords are often represented by a lawyer while tenants are not. This too easily results in abuses that can cause homelessness and other severe hardships for tenants. People of color are disproportionately victims.

In some jurisdictions, the right to counsel has succeeded in preventing eviction and/or the appearance of eviction on tenants' records that makes it harder for them to find decent jobs, housing, or apply for loans.

The statistics showing a disparity in legal power are overwhelming. According to <u>Renters United</u> <u>Maryland</u>, landlords are filing about 30,000 court cases a month. This astounding pace would threaten a massive number of evictions. Tenants are represented only 1% of the time compared to 96% of the time for landlords according to the <u>Maryland Consumer Rights Coalition</u>.

Racial and gender disparities are exacerbated by the current system. An <u>academic study</u> found that in Baltimore, African American women were evicted four times more often than white men. Another <u>study</u> revealed racial disparities in eviction in Richmond and Milwaukee even when controlling for a variety of other demographic characteristics.

Evidence from jurisdictions enacting a right to counsel has shown a great number of benefits, including significant reductions in the frequency of eviction. The right to counsel reduced evictions by <u>77% in Manhattan during 2013</u>. After the city of Baltimore enacted a right to counsel, it is estimated that <u>92% of the tenants</u> represented by counsel <u>will avoid eviction</u>. In the District of Columbia, the District of Columbia Bar and Legal Aid Society started funding the Housing Right to Counsel Project, which the City Council subsequently helped fund with annual appropriations. About 25% of tenants are now represented by legal counsel and <u>are four times less likely to be evicted</u>.

Even when evictions cannot be avoided, legal representation wins other important protections such as a longer time and more orderly means of leaving the current residence, a reduction in the amount owed to the landlord, and a greater likelihood of securing emergency assistance. Other important <u>benefits</u> include the eviction episodes not appearing in the tenants' housing records or credit reports which harm future abilities to secure housing, jobs and access to banking and loans.

In conclusion, funding the right to counsel helps establish housing as a basic human right and addresses glaring racial and gender disparities in the state. It would benefit all of us economically by preserving the ability of tenants to advance their own economic prospects and secure decent housing and jobs in the future. It would ultimately pay for itself many times over. It would be the right thing to support in any time period, but especially right now as economic and racial injustices have come to the fore in the context of the pandemic.

Please inform us of your intentions regarding this critical matter at kathyjosh@comcast.net.

Sincerely,

Josh Silver, Bethesda, MD

Karen Levi, Potomac, MD

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Katherine Wilkins

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District **District 12. I am testifying in support of Senate Bill 662.**



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, *"over 90% of housing providers are represented and over 90% of tenants are not."* This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Katherine Wilkins 10651 Gramercy PI Unit 257 Columbia MD 21044 Showing Up for Racial Justice Baltimore

SB 662 - Written Testimony - SENATE.pdf Uploaded by: Katie Davis



SB 662 - Access to Counsel in Evictions Special Fund - Funding HEARING BEFORE THE JUDICIAL PROCEEDINGS COMMITTEE, FEBURARY 22, 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 coordinator, thought leader 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.

PBRC urges a FAVORABLE report on SB 662. PBRC supports SB 662 because the Access to Counsel in Evictions Special Fund must be funded. SB 662 would transfer \$11.8 million from the Abandoned Property Fund to the Access to Counsel in Evictions Fund in FY 2023.

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 pilot a unique day-of-court model for leveraging the private bar to work along with staff attorneys to provide legal representation to tenants who appear unrepresented in rent court. In September 2021, the TVLD Program received additional funding to expand its services to Baltimore County. Tenants appearing in Rent Court often contend with difficult and unsafe living conditions and are unaware of the judicial process, their rights as renters or valid defenses they could raise in the face of eviction proceedings. Because tenants rarely have counsel while landlords are nearly always represented, PBRC has stepped in to help level the playing field. Since 2017, PBRC staff and pro bono attorneys have represented over 1687 tenants, 76% of whom either avoided an eviction entirely or were granted a postponement delaying their eviction based upon a valid defense asserted at court – outcomes that would rarely be possible without the assistance of counsel. To accomplish this, PBRC as has engaged the private bar, leveraging over 1277 hours of pro bono legal services and training over 180 private attorneys.

Nonetheless, PBRC and other legal services organizations are far from able to meet the current need. Despite holding two clinics in Baltimore County each week, engaging the private bar and hiring additional staff, we estimate that our same-day in-court services have reached far less than one-third of the renters in need of legal representation in Baltimore County. In fact, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who currently have an unmet need for legal representation in eviction cases.

Representation balances the scales and saves the state money. By fully implementing Access to Counsel, the State can help save an estimated \$62M from reduced emergency room, shelter, and foster care costs. It is much less expensive to keep people housed than provide services when they are homeless. Passed in recognition of these facts in 2021, HB 18 mandates that all limited-income tenants in eviction cases "shall have access to legal representation as provided under this subtitle." RP § 8-902. It is time for the General Assembly to begin to fulfill this promise by passing SB 662.

SB 662 is a straightforward bill that will help make HB 18 a reality. The General Assembly must act to fully fund Access to Counsel in Evictions to prevent the law from becoming an empty promise. PBRC is a member of the Renters United Maryland coalition and asks that the Committee issue a report of FAVORABLE on SB 662.

SB 662 will help to ensure the provision of critical legal services those who need them most. Thank you for the opportunity to testify.

For the above reasons, **PBRC urges a FAVORABLE report on SB 662.** Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions. <u>kdavis@probonomd.org</u> • 443-703-3049

SB 662_Office of the Attorney General_fav_2022.pdf Uploaded by: Kira Wilpone-Welborn



ELIZABETH F. HARRIS Chief Deputy Attorney General

CAROLYN QUATTROCKI Deputy Attorney General

STATE OF MARYLAND OFFICE OF THE ATTORNEY GENERAL

FACSIMILE NO.

WRITER'S DIRECT DIAL NO.

February 21, 2022

To:	The Honorable William C. Smith, Jr.
	Chair, Judicial Proceedings Committee

From: Brian E. Frosh Attorney General

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

The Office of the Attorney General supports Senate Bill 662 sponsored by Senator Craig J. Zucker, *et al.* Senate Bill 662 would appropriate the necessary initial funding for the Access to Counsel in Evictions Special Fund (the "Fund"). Providing the Fund with an initial appropriation of \$11.8 million is essential to fulfilling the aims and goals of the General Assembly in enacting House Bill 18 in 2021.

Absent funding, renters will continue to overwhelmingly face eviction actions without counsel. As of January 2022, 62% of Maryland renters believe they are somewhat or very likely to be evicted within the next two months.¹ Eviction, or a mere threat of eviction, is "associated with numerous mental health conditions including anxiety, depression, exposure to violence, mental health hospitalization, and suicide."² Eviction is particularly "traumatizing to children and affects emotional and physical well-being and development for years, if not for lifetimes."³ Without adequate funding for access to counsel, Maryland renters will continue to experience the detrimental emotional and physical effects the General Assembly sought to avoid last session by enacting House Bill 18. Accordingly, the Office of the Attorney General requests that the Judicial Proceedings Committee give Senate Bill 662 a favorable report.

cc: The Honorable Craig J. Zucker, *et al.* Members, Judicial Proceedings Committee

¹ January 2022, US Census Household Pulse Survey Week 42 Housing Tab 3b, <u>https://www.census.gov/data/tables/2021/demo/hhp/hhp41.html</u>

² Emily A. Benefer et al., *Eviction, Health Inequity, and the Spread of COVID-19: Housing Policy as a Primary Pandemic Mitigation Strategy,* J. URB. HEALTH 1, 4 (last revised Dec. 7, 2020).

 $^{^{3}}$ Id.

SB 622 - Funding for Access to Counsel in Eviction Uploaded by: Lindsay Keipper

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District 46, and I am testifying in support of Senate Bill 622.



Senate Bill 622 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

The Maryland Legal Services Corporation estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City. The legislature has already decided that there ought to be resources provided for low-income tenants who can't afford counsel: it's time to put our money where our mouths are and fund this important initiative.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 622.

Thank you for your time, service, and consideration.

Sincerely, Lindsay Keipper 2425 Fleet St. Showing Up for Racial Justice Baltimore

Support SB 662 - Access to Counsel in Eviction Pro Uploaded by: Linnie Girdner

To the members of the Senate Judicial Proceedings Committee and the Budget and Taxation Committee,

I am a resident of District 21 and a member of Showing Up for Racial Justice Annapolis and Anne Arundel County. I am testifying in support of Senate Bill 662.

The human need for housing is central. **Having safe, stable housing is key to a healthy society, and we know that it is key to reducing racial inequities.** We as a society have the responsibility to make sure homes are affordable and built safely and that people can remain in their homes. These obligations have taken on even more urgency in the past two years: all people should be able to stay in their homes, especially during a pandemic. Because of the pandemic, many are confronting increased economic hardship, the shortcomings of eviction prevention policy, and the extreme threat to health resulting from being unhoused. One critical intervention that can help keep thousands of Marylanders housed right now is access to a lawyer.

Last year, the General Assembly passed HB18 to establish access to counsel for low-income renters, but a separate bill to fund the program did not pass. It is past time for this law to be funded. Establishing a program to help renters access legal counsel would reduce evictions; save the state tens of millions of dollars in reduced Medicaid and foster care costs related to the unhoused, with similar savings in local jurisdictions; and keep people in their homes.

HB 18 went into effect as of October1, 2021, creating the Access to Counsel in Evictions Task Force. This task force was charged with providing an <u>initial annual report</u> with input from stakeholders within 90 days. The task force's report, "encourages the Governor to allocate a portion of federal stimulus money to kick-start the program. But a stable source of funding is critical to ensure long-term success of the program, which is why the Task Force recommends an annual, ongoing appropriation from the State's operating budget."

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. We must remedy this issue in order to give the vast majority of renters a chance to challenge their evictions.

SB0662 would require that the Comptroller distribute \$11,800,000 of certain abandoned property funds to the Access to Counsel in Evictions Special Fund for fiscal year 2023.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely,

Linda K. Girdner 941 Fall Ridge Way Gambrills, MD 21054

SB 662 - ACDS 2022 Support - Access to Counsel.pdf Uploaded by: Lisa Sarro



SB 662 - Access to Counsel in Evictions Special Fund – Funding Hearing before the Judicial Proceedings Committee,

Feb. 22, 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 662.

Access to Counsel makes Emergency Rental Assistance Programs more effective. Providing access to legal counsel in eviction cases has been an integral part of Anne Arundel County's Eviction Prevention Program since shortly after the COVID-19 pandemic began. Coupled with the availability of rental assistance funds, Anne Arundel County's partnership with Community Legal Services (CLS), a nonprofit legal services provider, has prevented countless evictions of Anne Arundel County residents and resulted in millions of dollars in rent payments to Anne Arundel County landlords.

Access to Counsel has been proven successful in Anne Arundel County. Administered through a grant with funding from the County, Community Legal Services runs the Anne Arundel County Eviction Prevention Legal Program, which is perhaps the closest to an Access to Counsel Program in the State at this time. Attorneys are at the courthouse in Glen Burnie during all rent court dockets and provide assistance to any income-eligible tenant facing eviction for failure to pay rent. The County made office space available for CLS adjacent to the courthouse, right down the hall from the County's satellite rental assistance office, and there are seamless referrals between the County's ERAP and the Eviction Prevention Legal Program. Often, in addition to representing tenants in court, CLS attorneys act as informal mediators between the ERAP, landlords and tenants in arrears, ensuring the tenants' legal rights are protected while at the same time educating and negotiating with

landlords and landlord advocates to ensure that there is time for the rental assistance program to coordinate payment with the landlord so evictions can be prevented. From March, 2021 through December, 2021 alone, ACDS distributed approximately \$20 million in rental assistance to more than 1,600 households. We estimate that approximately 1,000 of those households were either provided advice and counseling or were represented in court by Community Legal Services.

Adequate state-funding for Access to Counsel is crucial for creation of – and, in Anne Arundel County's case, *continuation* of - robust Access to Counsel programs. State and local jurisdictions have used mostly federal money provided in response to the COVID-19 pandemic to expand access to counsel in FY 21 & 22. These funds will likely be spent in FY22 or will expire soon thereafter. Counties can't fund these programs on their own indefinitely. The \$5.4 million proposed by Governor Hogan for counsel in eviction cases is insufficient to meet the total amount needed to support Access to Counsel programs throughout the State, but the funding that would be provided through this bill would. The legislature saw the value and justification for creation of the Access to Counsel Program last year. Passing this bill this year would ensure adequate funding to make it an ongoing reality.

For the reasons noted above, we urge a FAVORABLE report on SB 662.

SB0662-MarkMartin-FAV.pdf Uploaded by: Mark Martin Position: FAV

February 22, 2022

Mark Martin Baltimore, MD 21217

TESTIMONY ON SB0662/HB0724 - POSITION: FAVORABLE Access To Counsel In Evictions Special Fund-Funding

TO: Chair Smith, Vice Chair Waldstreicher, and members of the Judicial Proceedings Committee **FROM**: Mark Martin

My name is Mark Martin and I live in Baltimore City in District 40. This testimony is in support of SB0662/HB0724.

As a lawyer who has for years provided, pro bono, legal information to people caught up in Landlord-Tenant court, I have seen first-hand the problems tenants face, most devastatingly, the fears and disruption associated with evictions. Regrettably, Maryland rent courts are so tilted in favor of landlords that they contribute to the state's unconscionably high eviction rates, with tragic consequences for those made homeless, disproportionately Black women, and the larger community.

Last year, the General Assembly acknowledged these serious deficiencies and took an historic step toward redressing them by passing HB 018. The program created by that statute, when fully implemented, will ensure that low income Marylanders facing eviction will have access to legal counsel in rent court.

Providing tenants with legal representation is a proven, cost-effective way to level the judicial playing field and thereby prevent unnecessary evictions and increase housing stability. When tenants have counsel, landlords cannot obtain evictions just by filing suit. Other jurisdictions around the country have implemented access to counsel laws, resulting in both fewer evictions and substantial savings in the form of reduced service costs.

The General Assembly expected implementation of the new statewide access to counsel program to be phased in over several years. Now is the time for the legislature to take the most crucial next step: fund the program. HB 018 established an Access to Counsel in Evictions Special Fund, but the legislature has not yet allocated any money to it. In its January 2022 Report, the Access To Counsel In Evictions Task Force (a body created by HB 018) emphasized that "[f]unding is the most urgent and critical need" (at 25) and urged the legislature to "[p]rovide sufficient funding . . . to fully implement the Program throughout the State as required by the statute" (at 24).

SB0662/HB 0724 does just this. It requires the Comptroller, in FY2023, to distribute \$11.8 million to the Special Fund from proceeds held by the State as a result of the sale of abandoned properties. The dollar amount is right on target: The Task Force projected that the "funding needed for the upcoming fiscal year is approximately \$12 million" (at 24). (The dollar figure required under this bill may properly be adjusted to take account of the Governor's just last week allocating \$5.4 million to the Special Fund.) And the bill provides funding that is straightforward, immediate, and non-contingent, which is consistent with the principle that monies for the Special Fund come from "the gold standard and most stable source of funding—an annual state appropriation" (at 25).

There is no excuse for delay; the need for tenants' counsel is greater than ever. As the Task Force warned, without funding "this Program cannot be implemented and nothing will change for the many low-income Marylanders who face eviction" (at 25). Simply put, funding the program can make the difference between a tenant's staying in her home and facing homelessness. Failure to fund access to legal representation now would be a betrayal and turn the new program into a Potemkin Village. The General Assembly should carry through on what it so wisely started. I urge the committee to return a favorable report on SB0662/HB 0724.

Reference: https://www.marylandattorneygeneral.gov/A2C_docs/ATC_Task_Force_Report.pdf

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Martha Schmitz

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of **MD District 42B. I am testifying in support of Senate Bill 662.**



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but it is an essential part of ensuring low-income renters are not displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Martha Schmitz 14 Greentree Drive Phoenix, MD 21131 Showing Up for Racial Justice Baltimore

SB 662 PJC Testimony FAV.pdf Uploaded by: Matt Hill Position: FAV



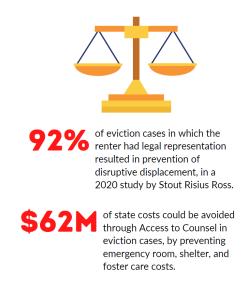
C. Matthew Hill Attorney Public Justice Center 201 North Charles Street, Suite 1200 Baltimore, Maryland 21201 410-625-9409, ext. 229 hillm@publicjustice.org

SB 662 - Access to Counsel in Evictions Special Fund – Funding

Hearing before the Judicial Proceedings Committee, Feb. 22, 2022

Position: SUPPORT (FAV)

Passed in 2021, the Access to Counsel in Evictions legislation mandates that all limited-income tenants in eviction cases "shall have access to legal representation as provided under this subtitle." RP § 8-902. It is time for the General Assembly to fulfill this promise. SB 662 would transfer \$11.8 million from the Abandoned Property Fund to the Access to Counsel in Evictions Fund in FY 2023. Because the Governor recently allocated \$5.4 million for this purpose, we support a sponsor amendment to reduce the amount sought in SB 662 to \$6.4 million. With 62% of Maryland renters feeling "very" or "somewhat" likely to be evicted in the next 2 months, we cannot wait. Maryland residents facing eviction right now are disproportionately people of color, and the majority have children in their households.



An allocation of \$11.8 million in FY 23 would help 9,762 Maryland families avoid disruptive displacement in eviction actions. The Access to Counsel in Evictions Task Force issued a <u>report</u> laying out a framework for equitable, effective implementation. The Task Force called on the State to allocate \$11.8 million in FY 23, moving to full

An allocation of \$11.8M in FY23 would help 9,762 Maryland families avoid disruptive displacement in eviction actions. implementation by 2025. The General Assembly's Spending Affordability Committee recommended <u>\$14</u> <u>million for FY 23</u> for implementation. Relying on court data and analysis from Stout Risius Ross, the MD Legal Services Corp. (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need.

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.

The \$5.4 million proposed by Governor Hogan for counsel in eviction cases is insufficient because local jurisdictions are slated to lose about \$4.4M in one-time, federal funding for eviction representation that is running out. The State and local jurisdictions have used mostly federal money to expand access to counsel in FY 21 & 22.

In the last six months of 2021, just four legal services providers represented 1,284 MD residents facing eviction and prevented the disruptive displacement of residents in 88% of those cases. These organizations provided advice to another 2,626 facing eviction-related issues. Lawyers from these orgs assisted tenants in cases involving severe conditions of disrepair, retaliation, lack of landlord licensing/lead paint compliance, illegal/excessive fees or non-rent charges, rent payments already made, end-runs around rental assistance obligations, and others. A significant part of the federal funding for these cases will be spent in FY 22, and tenants will lose current levels of representation if implementation of Access to Counsel in Evictions is not fully funded. Further, implementing Access to Counsel also means increased tenant outreach and education so that residents can know their rights and access resources such as rental assistance.

Legal services providers report being unable to meet current demand. Legal services providers such as Community Legal Services of Prince George's County and Public Justice Center report that in the last 6 months, they have only been able to provide representation to appx. 1/3 of renter clients due to lack of capacity. Similarly, for same-day in-court services, Pro Bono Resource Center of Md. estimates that – due to limited capacity - it has reached less than 1/3 of renters who are in need of legal representation in Baltimore County.

Representation balances the scales and saves the state money. Over 90% of landlords are represented by an attorney or specialized agent while over 90% of tenants are not. <u>Counsel is 92% effective in preventing disruptive displacement in evictions according to a study of one jurisdiction in Maryland</u>. By fully implementing Access to Counsel, the State can help level the scales and save an estimated \$62M from reduced emergency room, shelter, and foster care costs. It is much less expensive to keep people housed than provide services when they are homeless.

The General Assembly must act to fully fund Access to Counsel in Evictions to prevent the law from becoming an empty promise.

Public Justice Center is a member of the Renters United Maryland coalition and asks that the Committee **issue a report of FAVORABLE on SB 662 with any sponsor amendment.** If you have any questions, please contact: Matt Hill, <u>hillm@publicjustice.org</u>, 410-625-9409, ext. 229.

Badeker SB 662 - Funding for Access to Counsel in Uploaded by: Melissa Badeker

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District 8. I am testifying in support of Senate Bill 662.



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Melissa Badeker 3020 Linwood Avenue, Parkville MD 21234 Showing Up for Racial Justice Baltimore

SB0662 Mike English Favorable.pdf Uploaded by: Michael English

February 22, 2022

Michael English Silver Spring, MD, 20910

TESTIMONY ON SB0662- POSITION: FAVORABLE

Access to Counsel in Evictions Special Fund - Funding

TO: Chair Smith, Vice Chair Waldstreicher and members of the Judicial Proceedings Committee **FROM**: Michael English

My name is Michael English, and I live in downtown Silver Spring, part of Maryland District 20. I am writing this testimony in support of SB0662, Access to Counsel in Evictions Special Fund-Funding. As happy as I was to see Access to Counsel pass last year, it wasn't supposed to be "access" to counsel, it was supposed to be *right* to counsel. I can still remember watching with my fellow JUFJers on Sine Die as the hours, then minutes, then seconds ticked away, and it became clear that the vital funding needed to make the bill work was going to be defeated not by an up or down vote, but by shameless talking to death of it and countless other bills by comfortably housed legislators running out the clock to midnight. It was shameful, it represents everything wrong with our legislative system as we know it, and it absolutely cannot happen again when the stakes are so high for so many. I spend a lot of time pushing for more housing, and more affordable housing, and all of that matters, but it matters a lot less if the people who need it most have to face eviction from these homes alone, facing a byzantine, and terrifying process.

Currently, only 1% of tenants who find themselves in Rent Court are represented by a lawyer, while 96% of landlords have representation. That simply isn't right, and I'm frankly sick and tired of hearing excuses as to why this can continue. It is immoral on its very face. On what is the scariest, most life changing day in most people's lives, the least we can do is make sure they don't have to go through potentially being made homeless without legal aid. It's true establishing a program to help renters access legal counsel would reduce evictions, and would also save the state tens of millions of dollars in reduced Medicaid and foster care costs related to homelessness, with similar savings in local jurisdictions, and that isn't to be dismissed, but frankly I shouldn't need to tell you all that in order to convince you to do something this basic, this simple, and this unambiguously right. Do the right thing.

I respectfully urge this committee to return a favorable report on SB0662.

MD Catholic Conference_FAV_SB0662.pdf Uploaded by: MJ Kraska



ARCHDIOCESE OF BALTIMORE **†** ARCHDIOCESE OF WASHINGTON **†** DIOCESE OF WILMINGTON

February 22, 2022

SB 662 Access to Counsel in Evictions Special Fund - Funding

Senate Judicial Proceedings Committee

Position: Support

The Maryland Catholic Conference ("Conference") represents the public-policy interests of the three Roman Catholic (arch) dioceses serving Maryland: the Archdiocese of Baltimore, the Archdiocese of Washington, and the Diocese of Wilmington.

Senate Bill 662 would require the Comptroller to distribute a certain amount of certain abandoned property funds to the Access to Counsel in Evictions Special Fund; and generally relating to the Access to Counsel in Evictions Special Fund.

The foundation of Catholic Social Teaching is the recognition of the life and dignity of the human person. The Church has traditionally viewed housing, not as a commodity, but as a basic human right. This conviction is grounded in our view of the human person and the responsibility of society to protect the life and dignity of every person by providing the conditions where human life and human dignity are not undermined, but enhanced. As Pope John Paul II stated, "*A house is much more than a roof over one's head." It is "a place where a person creates and lives out his or her life."*

Our legal system rests upon the principle that everyone is entitled to due process of law and a meaningful opportunity to be heard. Thus, Senate Bill 662 will provide essential legal representation for our most vulnerable populations during the Covid-19 crisis.

The Conference appreciates your consideration and respectfully urges a favorable report for Senate Bill 662.

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Nathan Rehr

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District **45**. I am an active member of my community association and a health professional who is interested in eliminating the health disparities that



occur with racial discrimination in our society. I am testifying in support of Senate Bill 662.

Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

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It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Nathan Rehr 450 E. Federal Street Baltimore, MD 21202 Showing Up for Racial Justice Baltimore

CASA_FAV_SB662.pdf Uploaded by: Nick Katz



Testimony in SUPPORT of SB662 Access to Counsel in Evictions Special Fund - Funding Senate Judicial Proceedings Committee

Nicholas Katz, On Behalf of CASA

February 22, 2022

Good Afternoon Chairman Clippinger Members of the Committees:

CASA is pleased to provide strong support for SB662, Access to Counsel in Evictions Special Fund. CASA is the largest membership-based immigrant services and advocacy organization in the mid-Atlantic region, with a membership of over 120,000 Black and Latino immigrants and working families. Thank you for this opportunity to testify today in support of SB662.

The facts are clear on housing law: there is a gross disparity of power between landlords and tenants. Thousands of families every year are evicted, whether by a court's judgment, a sheriff's execution, a landlord's illegal lockout, or a tenant's departure because they feel they have no other choice. Many of these evictions and quasi-evictions occur despite tenants having good defenses and legitimate complaints that are never heard.

This does not have to be the case. Last year, Maryland took a huge step forward in passing HB18, the Tenant Access to Counsel Act. This landmark legislation helped to level the playing field between landlords and tenants, by making it more difficult for landlords to use the courts as a collections agency and providing that individuals who cannot afford an attorney in housing court may have access to counsel. Unfortunately, the full vision of this Act was not realized because a dedicated funding stream to ensure that the access to counsel program can be made real was not identified in the bill. SB662 moves the ball forward, by mandating an allocation of funds in Fiscal Year 23 to operationalize the Access to Counsel in Evictions Special Fund. This is a positive *and necessary* step in the right direction to protect tenants' rights and keep people in their homes.

CASA's experience with housing law is deep and long-standing. We see a number of disputes between landlords and tenants that can be resolved simply and easily through a tenant's right to counsel. We very frequently observe landlords engaging in acts, whether willful, negligent, or unintentional, that are clearly prohibited by law. However, tenants are rarely able to fight these illegal acts without competent legal advice and representation. Our members are primarily Spanish-speaking immigrants whose language barriers and cultural unfamiliarity with housing court create tremendous obstacles. Currently, there is simply not enough legal representation to go around, either from legal services organizations, private attorneys, or pro bono counsel.

Our members, who are uniquely vulnerable to exploitation by landlords, come to us with a variety of housing complaints. I would like to mention a few of these here in order to explain how a right to counsel is invaluable to helping tenants vindicate their rights.

Attorneys Can Help Enforce Landlord Obligations to Provide Safe and Sanitary Living Conditions.

First, landlords often ignore tenant complaints about conditions in their apartments and homes, including mold, roaches, bedbugs, rodents, inadequate heating and cooling, electrical hazards, faulty plumbing, major structural defects, and flooding. In our experience, these are not minor problems, such as a drafty window or a roach infestation that can be remediated through a monthly extermination. Rather, they are conditions that cause physical and economic injury to tenants, from electrical shocks to flooded apartments that destroy the tenants' property.

Under the law, these conditions would absolutely justify avoidance of the contract ("constructive eviction"), a reduction in rent, or damages in a civil action. But tenants can rarely assert these rights on their own: county enforcement is often lax, and is especially difficult in the pandemic, while rent escrow protections are very narrowly available, procedurally confusing, and extremely risky for vulnerable tenants. As a result, many tenants simply continue living in deplorable conditions and paying their rent in full, without knowing that they have the right to safe and sanitary housing under their contracts and under state law. We see in many cases that tenants fall behind or terminate their contracts early due to the horrendous conditions, only to receive notice of a landlord initiating eviction proceedings and sometimes civil suits to obtain money judgments of several thousand dollars. Under the law, the most just result is that the landlord should pay damages to the tenant for failing to provide adequate living quarters, but in practice, the landlord often wins in the courtroom because the landlord has a lawyer and the tenant does not. A tenant's attorney could effectively address this disparity.

Attorneys Can Fight Prohibited Fees and Rental Increases.

Second, landlords frequently charge fees to tenants that are prohibited by state and local law. *Legal fees* are prohibited in Montgomery County absent a court order. The amount of *late fees* are capped by law. With emergency pandemic legislation, more jurisdictions are providing for prohibitions and limitations on *rental increases* and late fees. Many *other kinds of fees* are arbitrarily added to tenant ledgers, including for parking, method of rent payment, maintenance, and general "violations", even when there is nothing in the lease or the law providing for such penalties. Many landlords continue to charge these fees and refuse to remove them from tenant ledgers until CASA gets involved to fight them. Thus, some tenants have paid thousands upon thousands of dollars in fees that are not legally collectible. We see this most frequently with multi-family properties managed by professional property management companies.

Attorneys Can Ensure Return of Tenant Property Such as Security Deposits.

Third, landlords frequently withhold security deposits for ordinary wear and tear, in clear and unambiguous violation of state law. We have seen landlords charge all sorts of renovation expenses to the last tenant, from carpet replacement to new flooring to repainting the walls, none

of which are the tenant's responsibility. We see this equally among large companies, small companies, and individual landlords. There is enormous confusion about the scope of what is permissible, and the Attorney General's office receives countless complaints each year about illegal security deposit withholding.

A security deposit may be just a few hundred dollars, but is typically a full month's rent. To a landlord, withholding a month of rent merely reduces or eliminates their reletting costs, but does not make or break their books. By contrast, for many tenants who were expecting the return of their security deposit and had paid the entirety of their rent in reliance on that expectation, this is a catastrophic blow to their finances. Our members sometimes have to take out personal loans in order to pay for the initial costs of a new apartment; the loss of a security deposit may therefore become the difference between restoring an economic foundation and spiraling into debt. An attorney on the tenant's side to help resolve these disputes in advance would greatly help clarify this area of the law and ensure compliance by both landlord and tenant.

Attorneys Can Help Ensure Landlords' Compliance with Existing Housing Law.

Fourth, in many of the more populous jurisdictions including Baltimore, Montgomery County, and Prince George's County, a rental license is required to rent a property. Without this rental license, the collection of rent from the tenant is flatly prohibited. Many tenants have therefore been paying under a contract that is void or voidable. For this violation of law, tenants can not only entirely avoid certain kinds of evictions, but also recover thousands of dollars in damages. Yet the tenant is almost never aware of this defense without the advice of a competent lawyer. With the right to counsel, a lawyer who can help the tenant investigate whether the landlord has a license to operate will almost certainly save tenants thousands of dollars and promote landlords' compliance with existing license laws.

As you can see from this testimony, no landlord is perfect. Some make mistakes; some refuse to uphold their end of the bargain; and some willfully violate tenants' rights. Regardless of the motivation of the landlord, it is the tenants who suffer. The massive power imbalance perpetuated by the current system means that thousands of people who should not be evicted each year lose their homes, or are forced to continue to live in conditions that are unsafe and unsanitary. By providing a dedicated funding mechanism to ensure that tenants have access to counsel, HB724 helps facilitate access to justice, leveling the playing field in court and helping to keep Maryland families where they belong: in their homes.

For the reasons outlined above, CASA strongly supports SB662. The savings to the government of upholding tenants' rights will far outweigh the costs.

Nicholas Katz Legal Director, CASA nkatz@wearecasa.org

2022.02.22 - A2JC Written Testimony - SB662 - Aban Uploaded by: Reena Shah



United for Civil Justice for All

COMMISSIONERS

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> Reena K. Shah Executive Director

<u>SB662</u> Access to Counsel in Evictions - Special Fund - Funding Senate Judicial Proceedings Committee <u>SUPPORT</u>

The Maryland Access to Justice Commission (A2JC) is an independent entity supported by the Maryland State Bar Association (MSBA) that unites leaders to drive reforms and innovations to make the civil justice system accessible, fair and equitable for all Marylanders. Prominent leaders from different segments of the legal community in Maryland – including the deans of the two law schools, the attorney general, law firm partners, heads of the legal services providers and funders, corporate counsel, academics, legislators, the state bar and judiciary comprise the A2JC.

<u>The Commission strongly supports full first year funding via SB662 to jump start</u> the Access to Counsel in Evictions Program.

Confronting the Access to Justice Crisis

COVID-19 created a health, economic and civil justice crisis. Even before the pandemic, only a small percentage of Marylanders (about 20%) received the help they needed to navigate the civil justice system, resulting in threats to their housing, safety and economic security — not because they did anything wrong, but because they did have the legal help they needed. The pandemic made more people than ever engage in some aspect of the civil justice system, whether through their unemployment insurance application or appeal or because they fell behind on their rent and faced an eviction proceeding in court. Indeed, the need for civil legal aid skyrocketed, in every area in the civil justice system, including housing, consumer debt, public benefits, domestic violence, life & health planning, immigration and more. Funding for civil legal aid, which is primarily dependent on interest rates and court filings, saw precipitous declines, and needed to be shored up.

To confront the COVID-19 Access to Justice Crisis, the MSBA-backed Access to Justice Commission provided distinctive leadership to unite the access to justice community to face the unprecedented crisis. We partnered with the Attorney General's Office to help helm the <u>COVID-19 Access to Justice Task Force</u>, and delivered <u>final report</u> that had 59 substantive recommendations, 41 of which were transformed into bills during the 2021 legislative session and 19 of which are now law, including an additional \$9M in civil legal aid funding and state-wide access to counsel in eviction cases.

The New Access to Counsel in Evictions Law

During the 2021 legislative session, the General Assembly passed HB 18, making it one of the first state legislatures in the nation to create a statewide access to counsel in evictions program. At its root, the law acknowledges the detrimental impact of evictions to Marylanders, including how evictions

- exacerbate the public health crisis posed by COVID-19;
- create significant collateral costs for state and local governments;
- cause trauma and increase instability and insecurity for families, esp. children; and
- have a disparate impact on Black and Brown households.

The General Assembly sought to address the deleterious effects of eviction and its many collateral consequences by creating the Access to Counsel in Evictions Program (the Program) and recognized that providing tenants counsel in eviction cases is a "proven means of preventing the disruptive displacement of families and the resulting social, economic, and public health costs of such displacement."

The General Assembly Must Fund Access to Counsel in Evictions Law

The Program, to the detriment of Marylanders, remains unfunded. *During this legislative session via SB662, the General Assembly must allocate \$11.8M in funding for FY23 for this law to have its intended effect.* With COVID-19 surging again and with approximately 111,000 Maryland households behind on their rent and facing eviction, implementing HB 18 should be an urgent priority for Maryland legislators. The households under threat are overwhelmingly people of color (80%) and have suffered both job and income loss during the pandemic. A2JC has been active, in concert with key legislators, the Attorney General, the Access to Counsel in Evictions Task Force, and the civil legal aid community, in requesting that Governor Hogan fund the Program with a small portion of the billions in federal dollars coming into the State for COVID relief. Now, we ask the General Assembly to act.

The General Assembly must take action during the legislative session to fund the Access to Counsel in Evictions Program. <u>The Access to Counsel in Evictions Task Force</u>, which was mandated by HB 18, studied the funding issue, recommending that the legislature look to all appropriate sources of funding, but particularly emphasized jump-starting the Program through one-time federal funding and then seeking a general allocation in the state budget for the Program.

SB662 helps find that bridge funding to start the program. It is our understanding that since the bill was introduced, Governor Hogan will be allocating \$5.4M to funding the first year of the Program. Should this come to pass, we are supportive of seeking the difference in the amount from SB662, namely making it \$6.8M in one-time funding from the Abandoned Property Fund.

Eviction is a Legal Process Where Counsel Makes a Difference in Case Outcomes

While substantial progress has been made to get the more than \$800 million in rental assistance to Marylanders who need it, rental assistance alone is not currently and will not in the future prevent all preventable evictions. The additional measure of providing access to counsel in eviction proceedings is necessary. When talking about housing generally, it can be overlooked that *eviction is a legal process* that is made more efficient and fair when tenants have the same access to counsel that landlords have. According to a Maryland study on evictions, <u>96% of landlords are represented by an attorney or eviction court agent, while only 1% of tenants are represented</u>. When tenants go to court without legal

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representation, even if the law affords legal defenses, they are likely not to be successful. In one Baltimore study, over <u>60% of tenant-respondents had a defense based on the condition of the unit</u>, but only 8% of those tenants were successful in raising the defense without counsel.

Failure to pay rent cases, which amounted to more than 650,000 case filings per year pre-pandemic, are not always straightforward and can at times be complex, implicating federal, state, and local contract laws and regulations. In these cases, legal counsel assists with solving disputes in relation to the amount of rent owed. Further, if conditions in a property threaten life, health and safety, legal counsel aids in ensuring that the property is made habitable. Or, if a property owner wrongfully attempts to evict a tenant despite obtaining rental assistance—in violation of a rental assistance contract —counsel assists in enforcing legal rights the tenant may have.

Indeed, jurisdictions that have enacted right-to-counsel laws before the pandemic, like New York City, saw drastic reductions in evictions – without any of the other factors that have aided in eviction prevention since the pandemic – including moratoriums and rental assistance. <u>In New York City, 86% of represented tenants remained in their homes and eviction filings decreased by 30% just through the provision of counsel.</u>

Recognizing the importance of legal representation in preventing evictions, the federal government has made clear that their funding sources can and should be used to provide legal representation for households facing eviction proceedings. Earlier this year, <u>Treasury Secretary Janet Yellen</u>, <u>U.S. Attorney</u> <u>General Merrick Garland</u>, and Secretary of Housing and Urban Development Marcia Fudge echoed this point in a letter to state and local officials across the country, explaining that "tenants are more likely to avoid eviction and remain stably housed when they have access to legal representation. Legal counsel can also aid in the successful completion of [rental assistance] applications." <u>Numerous states and</u> <u>localities have responded and allocated millions toward counsel in eviction cases including in Tennessee</u>, <u>Wyoming</u>, <u>Virginia</u>, <u>Maine</u>, and <u>Michigan</u>.

Based on the information provided above, the Maryland Access to Justice Commission strongly urges the Senate Judicial Proceedings Committee to deliver a FAVORABLE REPORT on SB662. Please contact Reena Shah - reena@msba.org - with any questions.

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SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Sam Chan

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

This testimony is being submitted by Showing Up for Racial Justice Baltimore, a group of individuals working to move white folks as part of a multi-racial movement for equity and racial justice in Baltimore City, Baltimore County, and Howard County. We are also working in collaboration with CASA de Maryland and Renters United. I am a resident of MD District **43. I am testifying in support of Senate Bill 662.**



Senate Bill 662 would transfer \$11,800,000 from the Abandoned Property Fund to the Access to Counsel in Evictions Fund for FY2023.

In 2020, and as a result of the devastating economic impact of the COVID-19 pandemic, the Maryland Office of the Attorney General (OAG) partnered with the Maryland Access to Justice Commission to establish the "COVID-19 Access to Justice Task Force." One of the task force's recommendations was to reduce the number of evictions in Maryland. In response to this recommendation, the Maryland General Assembly passed HB 18 during its 2021 session. This bill, in part, created a right to counsel program that will provide low-income tenants across the state with access to legal representation in eviction proceedings. The law went into effect as of October 1, 2021, creating the Access to Counsel in Evictions Task Force.

Relying on court data and analysis from Stout Risius Ross, the Maryland Legal Services Corporation (MLSC) estimates that there are 29,683 limited-income residents who have an unmet need for legal representation in eviction cases. MLSC estimates that with an additional allocation of \$11.8 million for FY 23, the State can meet approximately 1/3 of that need. This funding is only part of the puzzle, but is an essential part of ensuring low-income renters aren't displaced and forced into a state of homelessness.

It is critical that state money be allocated so that renters have access to counsel, since, according to the Task Force, "over 90% of housing providers are represented and over 90% of tenants are not." This imbalance turns rent court into a rubber stamp for landlords wishing to penalize renter for any reason, no matter how capricious and unfair. This is especially difficult for female-headed households and black households, who were evicted 46% and 195% more frequently than their male and white households respectively in Baltimore City between 2017 and 2018. The legislature already affirmed the belief that this is not a just state of things, so it's time to put our money where our mouths are.

We must remedy this issue in order to give the vast majority of renters a chance to challenge unfair evictions.

It is for these reasons that I am encouraging you to vote in support of Senate Bill 662.

Thank you for your time, service, and consideration.

Sincerely, Sam Chan 38 E 26th St Baltimore MD 21218 Showing Up for Racial Justice Baltimore

SB 662 - Funding for Access to Counsel in Eviction Uploaded by: Sarah Johnson

Dear Members of the Senate Judicial Proceedings and Budget & Taxation Committees,

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Sincerely,

Sarah Johnson 1 Merryman Court Baltimore, MD 21210 Showing Up for Racial Justice Baltimore

SB662_Zucker_Fav.pdf Uploaded by: Senator Craig Zucker Position: FAV

CRAIG J. ZUCKER Legislative District 14 Montgomery County

Budget and Taxation Committee Chair, Capital Budget Subcommittee

Chair, Senate Democratic Caucus



James Senate Office Building 11 Bladen Street, Room 122 Annapolis, Maryland 21401 410-841-3625 · 301-858-3625 800-492-7122 Ext. 3625 Fax 410-841-3618 · 301-858-3618 Craig,Zucker@senate.state.md.us

THE SENATE OF MARYLAND Annapolis, Maryland 21401

Testimony of Senator Craig J. Zucker Senate Bill - 662 – Access to Counsel in Evictions Special Fund - Funding Senate Judicial Proceedings Committee February 22nd, 2022 1:00pm Position: SUPPORT

Good afternoon Chairman Smith, Vice Chairman Waldstreicher, and distinguished members of the committee. It is my pleasure to testify today in **support** of **Senate Bill - 662 – Access to Counsel in Evictions Special Fund – Funding**.

Senate Bill 662 requires the Comptroller to distribute \$11.8 million from the State's Unclaimed Property Fund to the Access to Counsel in Evictions Special Fund only for fiscal year 2023. This would help over 9,000 families avoid evictions. After this legislation was drafted, Governor Hogan allocated \$5.4 million toward this program, still leaving this program \$6.4 million short from what the law required. For this reason, there is an amendment that I am offering to adjust the FY 23 allocation to \$6.4 million.

The majority of Maryland residents that are facing evictions are people of color and have children in their households. By implementing Access to Counsel, the State could help level the scales and save an estimated \$62 million from reduced emergency room, shelter, and foster care costs.

I urge a favorable report on Senate Bill 662, as amended. Thank you for your kind consideration.

SB 662 - MSBA Support Letter (2022.02.22).pdf Uploaded by: Shaoli Katana

MEMORANDUM

To:	Members of the Senate Judicial Proceedings Committee
From:	Maryland State Bar Association (MSBA)
Subject:	Senate Bill 662 - Access to Counsel in Evictions Special Fund – Funding
Date:	February 22, 2022
Position:	Support

The Maryland State Bar Association (MSBA) joins its partner, the Maryland Access to Justice Commission (A2JC), and supports **Senate Bill 662 - Access to Counsel in Evictions Special Fund – Funding**. Senate Bill 662 requires the Comptroller to distribute \$11,800,000 of certain abandoned property funds to the Access to Counsel in Evictions Special Fund for fiscal year 2023.

MSBA represents more attorneys than any other organization across the State in all practice areas. MSBA serves as the voice of Maryland's legal profession. Through its Laws Committee and various practice-specific sections, MSBA monitors and takes positions on legislation of importance to the legal profession.

MSBA represents tens of thousands of attorneys and supports access to justice for Marylanders and funding of the justice system. MSBA knows that attorneys matter. The experiences of other jurisdictions that have implemented access to counsel prove that in a potentially complex process like eviction that has such harsh consequences, especially during a pandemic, attorneys can be the difference between someone having a home and not.

Since the start of COVID-19, MSBA, A2JC, and justice partners worked hard to secure emergency funding to make up for the 70% decline in civil legal aid funding. During the 2021 legislative session, we successfully advocated for \$9 million to the Maryland Legal Services Corporation to fund a diversity of civil legal aid programs through the state. In 2020, through the work of the COVID-19 Task Force, we succeeded in advocating for \$11.7 million in funding from Governor Hogan and Attorney General Frosh.

MSBA and A2JC recently supported and secured the passage of the legal right to counsel in eviction matters, to help many Maryland renters negatively impacted by the pandemic.

SB 662 would grant additional civil legal aid funding for those facing eviction, through a distribution of \$11.8 million of abandoned property funds to the Access to Counsel in Evictions Special Fund. MSBA supports and advocates for ongoing funding and support of civil legal aid initiatives, particularly those that would provide critical services to Marylanders most impacted by the pandemic.

For the reasons stated above, MSBA **supports** SB 662 and respectfully requests a **favorable report**. For additional information, please feel free to contact Shaoli Katana at MSBA at shaoli@msba.org.

SB662SherryGlazerFAV.pdf Uploaded by: Sherry Glazer Position: FAV

February 22, 2022 Sherry Glazer Bethesda, MD 20815

TESTIMONY ON HB724/SB662 - POSITION: FAVORABLE Access to Counsel in Evictions Special Fund – Funding

TO: Chair Guzzone and Vice-Chair Rosapepe, and members of the Budget and Taxation Committee

FROM: Sherry Glazer

My name is Sherry Glazer and I am a resident of District 16. I am submitting this testimony in support of SB662, Access to Counsel in Evictions Special Fund – Funding

I am driven by my legal experience representing tenants in eviction proceedings in New York City several years ago. I observed the importance of being safely housed, and saw that tenants were profoundly impacted by the negative consequences of eviction. I also observed that tenants who were assisted by counsel fared much better than those without legal assistance. More importantly, other jurisdictions providing access to counsel programs estimate that 80% of all evictions are avoided.

During the last legislative session, the General Assembly passed the historic Access to Counsel law. However, as this Committee is well aware, no funding was established. Governor Hogan proposed approximately 5.4 million dollars in funding for this program in his recent budget, an amount well below the estimated cost of 12 million dollars per year. SB662 would rectify this immediate problem and require that approximately 11.8 million dollars from the State's Abandoned Property Fund be used to fund what is now an unfunded mandate. The law would transfer existing funds to the "Access to Counsel in Evictions Special Fund", providing funding to fully implement access to legal representation in evictions.

During this once in a century pandemic, it is critically important that the evictions in our State be curtailed. Renters United of Maryland reports that 62% of Marylanders feel they are likely to be evicted during the next two months. That translates to 1 in 5 Maryland renter households who state they are still struggling to catch up with their rent payments and stay housed. According to data from the Judicial system, there was an average of 705 evictions per month during the second half of 2021. This is a moral, political, and preventable failure. By providing counsel to qualified renters, these evictions can be prevented. I respectfully urge this committee to return a favorable report on SB662.

SB0662_Knoche_FAV.pdf Uploaded by: Thomas Knoche Position: FAV

Bill Number: SB0662 Thomas Knoche FAV

Date of Hearing: 2/22/2022

Thomas Knoche, Board Member, Broadview Apartments, LLC 116 West University Parkway, Baltimore, MD 21210

TESTIMONY ON SB0662 - POSITION: FAVORABLE Access to Counsel in Evictions Special Fund - Funding

TO: Chair Smith, Vice Chair Waldstreicher, and members of the Judicial Proceedings Committee

FROM: Thomas Knoche

My name is Thomas Knoche. I am part of the Broadview Apartments, LLC family ownership group. Broadview Apartments is in the 43rd District. I am submitting this testimony in support of SB0662, Access to Counsel in Evictions Special Fund.

The Broadview Apartments, LLC owns 500 units of rental housing at the NE corner of University Parkway and W. 39th Street in Baltimore City, where approximately 1300 people are housed.

I encourage the Maryland legislature to adopt SB0662 to fund and expand access to counsel for low income tenants facing eviction. I support this legislation for four reasons.

(1) At the Broadview, we see first-hand the impact the pandemic has had on the people, mostly students, who rent from us. Times are tougher than many ever expected to see, and the financial hardship comes at no fault of their own. The financial impact of the pandemic, based on current economic projections, will likely persist for several years.

(2) Our costs go down when turnover is reduced, so we want residents to live at our developments as long as they can. Displacement is bad for them, and the turnover costs are bad for us.

(3) Displacement can lead to homelessness, and the latter is to be avoided at all cost. The human cost is beyond measure. The cost to society – specifically taxpayers -- can be measured. Study after study, over decades, confirm that the most cost-effective way to address homelessness is to avoid it by preventing displacement, providing sufficient affordable housing units, and preventive social services.

(4) Finally, anyone facing eviction should be able to get legal assistance if they want it. It is a basic right that all aggrieved parties in our society, including tenants, should share. With counsel, tenants are more likely to get access to support services and avoid eviction.

We consider decent housing to be a basic human right. Improving funding for access to counsel and eviction diversion provisions will increase fairness and stability in the housing market long after the pandemic has waned.

I believe this legislation will benefit tenants, and most responsible landlords, in the State of MD. I urge this Committee to return a favorable report on SB0662, and the Senate to pass it.

A2C Task Force - SB 662 (Support).docx.pdf Uploaded by: Vicki Schultz





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)

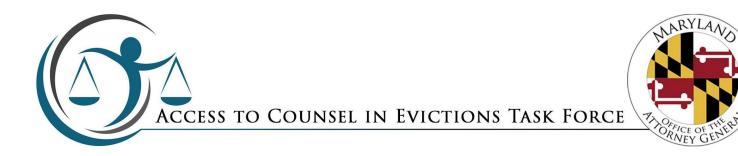
The Maryland Access to Counsel in Evictions Task Force strongly supports Senate Bill 662, which requires the Comptroller to distribute \$11.8 million from the special fund created by \$17-101 of the Commercial Law Article to the Access to Counsel in Evictions Special Fund in Fiscal Year 2023. The Access 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.¹ 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.²

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

¹ 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.

² 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.

SB 662_realtors_fav.pdf Uploaded by: William Castelli



Senate Bill 662 - Access to Counsel in Evictions Special Fund - Funding

Position: Favorable

The Maryland REALTORS[®] supports SB 662 which would mandate an \$11.8 million from the abandoned property fund to be used for the Access to Counsel in Evictions Special Fund.

The REALTORS® have opposed other access to counsel legislation because those bills both increase the costs of the eviction surcharge and make it unrecoverable. This legislation identifies the abandoned property fund as the source of funding for access to counsel. It is also important to note, that some lower-income owners of real property who are not represented by our members or others, could also use help before the courts. Like some tenants, these Marylanders can also be intimidated by the court process and may not be able to represent themselves in a competent way.

The Maryland REALTORS® recommends a favorable report.

For more information contact bill.castelli@mdrealtor.org, susan.mitchell@mdrealtor.org, theresa.kuhns@mdrealtor.org; lisa.may@mdrealtor.org



SB 662 Access to Counsel in Evictions SF (Zucker) Uploaded by: Barbara Wilkins

Position: INFO

LARRY HOGAN Governor

BOYD K. RUTHERFORD Lieutenant Governor



DAVID R. BRINKLEY Secretary

> MARC L. NICOLE Deputy Secretary

SENATE BILL 662 Access to Counsel in Evictions Special Fund - Funding (Zucker)

STATEMENT OF INFORMATION

DATE: February 22, 2022

COMMITTEE: Senate Judicial Proceedings

SUMMARY OF BILL: SB 662 diverts \$11.8 million in FY 2023 from the Abandoned Property Fund to the Access to Counsel in Evictions Special Fund.

EXPLANATION: The Department of Budget and Management's focus is not on the underlying policy proposal being advanced by the legislation, but rather on the \$11.8 million loss in General Fund revenues. The Maryland Legal Services Corporation (MLSC) administers the Access to Counsel in Evictions Special Fund, and MLSC also receives \$8 million from the Abandoned Property Fund.

Fully funding the implementation of the Blueprint for Maryland's Future (Kirwan) will require fiscal discipline in the years ahead, if the State is to maintain the current projected structural budget surpluses. Mandated spending increases need to be reevaluated within the context of this education funding priority and the Governor's tax relief proposals.

Further, economic conditions remain precarious as a result of COVID-19. High rates of inflation and workforce shortages may be short lived or persist. While current budget forecasts project structural surpluses, the impact of the ongoing COVID-19 pandemic continues to present a significant budgetary vulnerability.

For additional information, contact Barbara Wilkins at (410) 260-6371 or <u>barbara.wilkins1@maryland.gov</u>