

SB 756 - Access to Counsel in Evictions – Funding

Hearing before the Appropriations Committee on April 4, 2023

Position: SUPPORT (FAV)

The Renters Alliance is the first and only regional nonprofit dedicated exclusively to renter outreach, education, organizing and advocacy. We are the leading co-founders of Renters United Maryland.

We seek a favorable report on SB 756, which would extend the annual transfer of \$14 million from the Abandoned Property Fund to the Access to Counsel in Evictions (ACE) Fund for FY 24 through FY 27.

The Renters Alliance works with renters facing abuse, retaliation, maintenance neglect and unjustified threats of eviction daily. It is critical that renters, who represent the majority of our most vulnerable residents, receive legal counsel when facing these threats. Without support for this program, renters are simply left to fight for their homes without a lawyer and are at an enormous disadvantage when seeking to protect their homes.

Maryland is a leader in the Right to Counsel movement – becoming only the second state in the nation to recognize the proven, cost-effective benefits of a right to counsel in evictions. As detailed further in the testimony of the National Coalition for a Civil Right to Counsel: Right to counsel in evictions is a proven, cost-effective model around the country of preventing disruptive displacement in eviction cases. While Maryland's initial implementation of the law only started about 8 months ago and still has a long way to go to reach full implementation, the <u>ACE Task Force report</u> notes that families have begun obtaining representation and fighting back against eviction.

Attorneys working in ACE have helped families avoid disruptive displacement including by 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. In many jurisdictions, services are now available both through pre-trial intake with individual providers and through day-of-court intake.

Access to Counsel in Evictions furthers racial equity. <u>Study</u> after study in Maryland and nationally show that persons of color are much more likely to have to face an eviction case. <u>82% of families</u> <u>behind on the rent in Maryland and facing evictions are headed by persons of color</u>. Ensuring that each of those families is represented by legal counsel helps empower those persons to enforce existing legal protections that safeguard due process, prohibit illegal fees, and address unsafe housing conditions.

A secure baseline of \$14 million/year to fund ACE for FY 2024 through FY 2027 is important to address implementation challenges with ACE. In a tight labor market, legal services organizations have struggled to recruit and retain highly skilled attorneys for ACE implementation. The stable baseline of funding for implementation in SB 756 would provide assurances to organizations and attorneys who are considering this field that there would be some stability of funding moving forward. We understand that \$14 million is not adequate to realize full implementation of ACE. It is estimated that full implementation will cost at least \$30 million, but SB 756 is a critical starting point.

ACE is not a silver bullet to address all housing stability needs. Increasing the supply of affordable housing, emergency rental assistance, and other economic supports are important as well. But in 2021 Maryland recognized that right to counsel is a proven, cost-effective tool to enforce the laws already on the books. Secure, stable funding for implementation is critical to the initiative's success.

We urge the Committee's favorable report on SB 756.