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SB 756 - Access to Counsel in Evictions - Funding

Hearing before the Appropriations Committee on April 4, 2023

Position: SUPPORT (FAV)

Public Justice Center (PJC) is a nonprofit public interest law firm that assists over 800 renters each year. We stand with tenants to protect and expand their rights to safe, habitable, affordable, and non-discriminatory housing. PJC seeks a favorable report on SB 756, which, for FY 2024 through 2027, would extend the annual transfer of \$14 million from the Abandoned Property Fund to the Access to Counsel in Evictions (ACE) Fund.

Right to counsel prevents families from becoming homeless and promotes safe, habitable housing.

Ms. Jones's experience residing in Baltimore with her two children illustrates this point. About three months ago, water began pouring into one of the bedrooms in Ms. Jones's rowhouse when it rained, and a leak began in the ceiling of the other bedroom. She called, emailed, and texted with the landlord, and while they sent out someone to look at the problem, they never completed the repairs. At the same time, Ms. Jones suffered a medical/financial crisis. She learned that she had cancer and had to take unpaid leave from work to obtain treatment. She fell behind on the rent, and her landlord filed a rent court eviction against her. Because of the funding that Public Justice Center receives from the Access to Counsel in Evictions program, we represented Ms. Jones and helped her assert a rent escrow defense in which Ms. Jones asked the court to reduce the rent and hold the rent money until repairs are made. Ultimately, we facilitated a settlement in the case: the landlord agreed to complete repairs, abate part of the rent, and accept emergency rental assistance. Ms. Jones and her family were then able to focus on her health instead of flooding and eviction.

Ms. Jones's experience illustrates a critical point: Even though Access to Counsel in Evictions (ACE) is just getting started, the initial implementation has helped prevent the disruptive displacement of thousands of Maryland families. In the first six months since ACE began funding implementation (July 1 through Dec. 31, 2022), Public Justice Center represented 159 income-qualified households, preventing disruptive displacement in approximately 93% of the cases, and preventing eviction entirely in approximately 61% of such cases. We obtained other substantial benefits in these

cases including a delay in the eviction to provide the client time to find alternative housing or "pay and stay," repairs to the dwelling unit, or the avoidance of illegal fees.

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, legal representation in Maryland mirrors the data we've seen throughout the country: Right to counsel in evictions is a proven, cost-effective model of preventing disruptive displacement in eviction cases.

Ms. Jones's experience also illustrates how ACE promotes the fair administration of justice – promoting settlements and leveraging rental assistance and other resources. Like many eviction cases, Ms. Jones's case ended in a settlement. She obtained a reduction of her rent, her landlord's commitment to make repairs on a specific timeline, and an end to litigation that she desperately wanted to end so that she could focus instead on her health. Representation helped Ms. Jones obtain each of those goals through a settlement rather than protracted litigation. On a macro level, this approach furthers the fair administration of justice by ensuring that parties who are fully informed of their rights can settle their disputes and reduce the litigation docket of the court when it is in their interest to do so. The settlement in Ms. Jones's case, like other settlements, also leveraged emergency rental assistance. Attorneys representing tenants understand that their clients often need more than legal counsel. We connect the tenant to those resources whenever possible and integrate those resources within the eviction case to meet the client's goals.

A secure baseline of funding provided by SB 756 is important to address implementation challenges with ACE. Like other legal services providers, Public Justice Center has struggled with attorney staffing levels to further ACE implementation. The stable baseline of funding for implementation in SB 756 would provide some assurances for attorneys who are considering this field that there would be a baseline of funding to move forward with implementation. We understand that \$14 million is not adequate to realize full implementation of ACE, but it is a critical starting point to move implementation forward.

We recognize that 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 in evictions 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.

Public Justice Center is a member of the Renters United Maryland, a statewide coalition of renters, organizers, and advocates, and we urge the Committee's favorable report on SB 756.