



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

Testimony Concerning SB 756
“Access to Counsel in Evictions - Funding”
Submitted to the Senate Budget & Taxation Committee
Hearing Date: March 1, 2023

Position: Favorable

Contact: *Deb Seltzer, Executive Director, 410-576-9494 x1009, dseltzer@mlsc.org*
Karen Wabeke, Program Manager, 410-576-9494 x1015, kwabeke@mlsc.org

Maryland Legal Services Corporation requests a favorable report on Senate Bill 756, enactment of which would make permanent an annual 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 landlord-tenant cases by passing the Access to Counsel in Evictions (ACE) Program and naming MLSC as the administrator during the 2021 session. The General Assembly established a goal of full implementation by October 2025.

ACE provides legal representation in a variety of eviction cases 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 and represent them through the court process. ACE is in the beginning stages of implementation, as there was no funding allocated for FY22 and information related to the FY23 funding did not arrive until late summer/early fall of 2022. MLSC staff have spent considerable time working with grantees, funding administrators from Baltimore City and the State of Maryland, and other partners to finetune reporting and payment procedures, as well as brainstorm and troubleshoot points of concern.

While still in early phases, the program has so far both laid important groundwork for full implementation and offered important services to tenants in Phase I jurisdictions. MLSC, our grantees and other partners have worked to develop a coordinated intake pilot and set up a structure for evaluation of the program. The coordinated intake team met with the legal services providers to learn about their current intake processes, eligibility requirements, case priorities and current technological capacity. They are developing the system architecture for the intake program and a case typology to assist in the referral process. Working with MLSC staff and drawing on their work in other jurisdictions, the evaluator has developed data points to be collected by the coordinated intake program and legal services providers to be used in the evaluation.

In September, MLSC hosted the Access to Counsel in Evictions Symposium at the University of Maryland Francis King Carey School of Law. The Symposium included a plenary session on racial equity, panels of tenants and judges, and breakout sessions tailored to attendees' experience level. Demetria McCain, principal deputy assistant secretary for fair housing and equal opportunity at the U.S. Department of

Housing and Urban Development, served as the lunchtime keynote speaker. Approximately 100 legal services attorneys, law students and pro bono attorneys from across the state attended the Symposium.

Attorneys working within the program 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. In many jurisdictions, services are now available both through pre-trial intake with individual providers and through day-of-court intake. Ultimately, MLSC will ensure at least two providers are available for each Maryland jurisdiction in order to provide back up for conflicts or capacity issues.

More attorneys are needed to fully implement the program across the state. Paired with a tight labor market, the uncertain funding situation for ACE has made hiring for the program difficult, as attorneys weigh whether to take a risk on what could be a short-term position if funding does not continue.

Maryland has a long history of funding civil legal aid via the Abandoned Property Fund.¹ While the distribution will not fully fund ACE upon statewide implementation (currently projected at \$28 million - \$30 million annually), it will go a long way toward offering stability for both legal services providers and the tenants they serve. As we progress with ACE implementation, we will be closely monitoring the data related to case filings and tenant need that underpin cost projections so we can adjust if necessary.

MLSC asks for favorable consideration of Senate Bill 756.

¹ It is important to note that the distribution proposed in Senate Bill 756 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.