

MARYLAND SENATE JUDICIAL PROCEEDINGS COMMITTEE
TESTIMONY OF MARYLAND VOLUNTEER LAWYERS SERVICE
IN SUPPORT OF SB0351: MARYLAND LEGAL SERVICES
CORPORATION - AFFORDABLE LIFE, WILLS, AND ESTATE
PLANNING FOR SENIORS PROGRAM
THURSDAY, FEBRUARY 16, 2023

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Chair Smith and distinguished members of the Committee, thank you for the opportunity to testify in support of Senate Bill 0351.

My name is Aisha Snead, and I am the Advance Planning Coordinator at the Maryland Volunteer Lawyers Service (MVLS). MVLS is the oldest and largest provider of pro bono civil legal services to low-income Marylanders. MVLS was founded in 1981 by a group of concerned Maryland lawyers, legal services providers and leadership of the Maryland State Bar Association. Since then, our statewide panel of over 1,700 volunteers has provided free legal services to over 100,000 Marylanders in a wide range of civil legal matters. In FY22, MVLS volunteers and staff lawyers provided legal services to 3,458 people across the state. As part of our Advance Planning Project and My Home, My Deed, My Legacy Project, we encounter numerous clients facing economic barriers, such as probate fees, which make it difficult to transfer property. One of the best approaches to avoiding these barriers is through estate planning. For the reasons explained below, we respectfully request a favorable report on Senate Bill 0351 with sponsor amendments. Many low-income Baltimoreans are homeowners living in a family-owned home and often the home is their greatest, and only, asset. Residents living on a fixed income often struggle to meet the financial burdens of homeownership such as mortgage payments, property taxes, utility bills, insurance, and home repairs. In addition, many of these homes have been passed down for multiple generations, without an estate being opened or new deed recorded. Without estate planning, the deed of the house remains in the name of the initial family member that may have passed 20 years ago or more. Most residents have no idea they need to open an estate and transfer the property, and never do. The estate becomes more complex and more difficult to unravel with the passing of each generation. When agencies seek to assist residents with critical resources like home repair programs or help them avoid tax sale through the Homeowner's Property Tax Credit, they discover the senior cannot access these programs because they are not on the deed to the property and trying to resolve the property ownership is often impossible. MVLS' Advanced Planning Project is designed to engage families and communities to raise awareness about the importance of estate planning.

Our volunteer attorneys are prepared to assist families with these legal documents so that they remain as safe and secure as possible. Our long-term goal is for our older adults to age in place, and then be able to bequeath their assets to the next generation and avoid difficult conflict during their end-of-life transition. Asset transfer is particularly important to Black communities that have been excluded from the prospect of intergenerational wealth-building through homeownership. Our neighborhoods have been historically redlined, cutting them off from the equity that enables working families to finance their children's education, deal with medical debt, and enter the middle class. As we continue to organize alongside of community leadership, we stress that taking the necessary legal steps of preparing an estate plan may protect our homeowners from the dangers of wealth extraction while positioning them to remain in their homes and build equity over time. Below is an example that MVLS has seen of how crucial estate planning is to stabilizing housing for older adults.

Ms. R is an MVLS client who lives in the home that her mother purchased in 1985. Ms. R's mother passed away in 2012, and as an only child, Ms. R is the sole heir. Ms. R lives in the home with her daughter and grandchild. Without the home in her name, Ms. R never qualified for the Homeowners Property Tax Credit, water discount programs, or home repair programs. By the time she realized she needed to get the deed transferred to her name and applied to MVLS, Ms. R was in her late 60s. She was living on her pension and SSI. Ms. R was paired with a volunteer attorney through MVLS. Despite the simplicity of the case, it took over a year and a half to transfer the deed, due to the costs and time requirements associated with probate. During this time, the home was much more vulnerable to being lost through tax sale foreclosure. Estate planning would have allowed the property to pass automatically to Ms. R, relieving the client and her family from the trauma of facing displacement.

MVLS supports Senate Bill 0351 with sponsor amendments because it will provide critically important funding to programs like ours which are essential to ensuring that those that cannot afford an attorney are still able to protect their homes through estate planning.

Chair Smith and members of the Committee, thank you again for the opportunity to testify.