



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

Testimony Concerning SB 351
“Maryland Legal Services Corporation - Affordable Life, Wills,
and Estate Planning for Seniors Program”
Submitted to the Senate Judicial Proceedings Committee
Hearing Date: February 16, 2023

Position: Favorable (including sponsor amendments)

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Maryland Legal Services Corporation requests a favorable report on Senate Bill 351, enactment of which would establish a program providing access to estate planning legal services for eligible seniors.

MLSC’s mission is 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. It currently funds 41 organizations to work toward that mission across the entire state. The Maryland General Assembly created MLSC in 1982 to administer the state’s Interest on Lawyer Trust Accounts (IOLTA) program, and since that time MLSC grantees have assisted approximately 4 million Marylanders with a wide variety of civil legal needs.

With appropriate resources, MLSC is prepared to administer the program estate planning program. The services offered under the program are important for all seniors, even those who may think they don’t have enough assets to make such planning worthwhile. These services can help families maintain and pass on intergenerational wealth, which is even more vital for low-income families. Yet, according to a 2021 Gallup Poll, less than one-third of people with incomes below \$40,000 have a will.

MLSC has a cadre of grantees with deep experience in providing these types of services. Over the past three fiscal years alone, our grantees have provided assistance in nearly 10,800 estate planning cases, helping clients obtain wills, living wills, advanced directives, health proxies, powers of attorney, life estate deeds and assistance with probate matters. Our grantees have also reported an increase in demand for estate planning assistance, as the COVID-19 pandemic has raised awareness about the importance of wills, advanced medical directives and other documents.

Legal services providers are active members of the communities in which they provide services, partnering with community groups, faith-based organizations, local governments and more to educate and serve residents. They offer a variety of models to best suit clients’ needs, ranging from individual appointments to large clinics and workshops.

The sponsor amendments will align the proposed program with MLSC’s mission and existing statutory guidelines.

MLSC asks for favorable consideration of Senate Bill 351, with the sponsor amendments.