



HB 693 – Renters’ Rights and Stabilization Act of 2024
HEARING BEFORE THE ENVIRONMENT AND TRANSPORTATION COMMITTEE
FEBURARY 20, 2024 at 1:00 PM
POSITION: SUPPORT

The Pro Bono Resource Center of Maryland (“PBRC”), an independent 501(c)(3) non-profit organization, is the statewide thought leader and clearinghouse for pro bono civil legal services in Maryland. As the designated pro bono arm of the MSBA, PBRC provides training, mentorship, and pro bono service opportunities to members of the private bar and offers direct legal services to over 6,200 clients annually.

In May 2017, with a grant from the Maryland Judiciary’s Access to Justice Department, PBRC launched the Tenant Volunteer Lawyer of the Day (“TVLD”) Program in Baltimore City Rent Court to provide day-of-court legal representation to tenants who appear unrepresented for their proceedings. Since then, thanks in large part to grants from the Maryland Legal Services Corporation (MLSC), PBRC’s Courtroom Advocacy Project staff and volunteer attorneys have represented thousands of tenants in both Baltimore City and Baltimore County in multiple types of legal actions that could result in eviction. PBRC’s Home Preservation Project has also assisted nearly 800 homeowners at risk of losing their homes to tax sale. **An overarching goal of both Projects is to promote and preserve stable housing and communities for low-income families and individuals in Maryland. PBRC supports HB 693 because it represents a vital step toward the achievement of this goal.** In addition to offering a mechanism for maintaining funding through MLSC for Access to Counsel in Evictions and other vital legal services programs, this Bill provides much-needed education and safeguards for tenants, helps to level the playing field and serves as a course correction for the unequal relationship that is in play between landlords and tenants, especially during a housing crisis such as that being experienced in Maryland today.

As part of Access to Counsel in Evictions, PBRC works regularly with tenants both in and out of court to ensure that they know their rights and understand the need to come to court and the benefit of exercising their right to access counsel for eviction-related matters. Establishing an Office of Tenants’ Rights within the Department of Community Development represents an excellent way to augment this work and help ensure stable housing for tenants throughout the state.

Raising the surcharge for eviction filings is a long-overdue course correction and a commonsense policy that is necessary to bring Maryland in step with surrounding states, all of whom have significantly higher filing fees for eviction-related actions and significantly lower filing rates. The current \$8 surcharge for filing a summary ejectment action in Maryland renders this type of action one of the cheapest and easiest civil cases to file, yet the potential consequences for those against whom these actions are filed are enormous.

PBRC attorneys have seen tenants at risk of eviction for judgments for as low as \$100.00 and have worked with clients who have been summoned to court monthly based upon one missed payment, creating a cycle of late fees and court costs from which they cannot escape. Last summer a PBRC staff attorney represented a client whose landlord filed three Failure to Pay Rent actions against her despite an on-going rent escrow action, which the tenant eventually won. These actions were filed while the tenant was dutifully paying her rent into a court account, yet she had to come to court each month to ensure that they were dismissed. Another staff attorney worked with a young disabled client who arrived at court with receipts demonstrating on-time payments. Her case was dismissed, but she had to spend all day at court because the city mobility transportation she had arranged had a scheduled pick-up time of 4:00 PM.

Another PBRC client, a construction worker who had lived in his home for over six years, was summoned to court for months in a row by an unlicensed landlord. He was able to get each case dismissed and continued paying his rent, but nonetheless accumulated court fees and suffered financially from having to take time off work. Yet another elderly client came to court with a summons for four months' rent and explained that she had been paying through her portal any time a bill popped up but could not seem to get caught up. She had also previously been summoned to court for each month individually but had succeeded in getting each case dismissed. A review of her ledger, however, revealed that her landlord had assessed court costs and late fees each month, even after dismissing each case.

All of these cases, and countless more, are symptoms of a statutory scheme that encourages multiple and sometimes sloppy filings, to the great detriment of primarily low-income families and individuals whose very housing is at stake. Raising the surcharge will not fix the issue but will bring Maryland more in line with surrounding states and help to alleviate the burden on the Maryland court system caused by unnecessary filings. Landlords will be more likely to ensure the validity of a case prior to filing. Where rent is owed, landlords will be more likely to work with tenants to arrange for payment before turning to the courts as a cheap collection method.¹

Furthermore, the increased surcharge in summary ejection, tenant holding over, and breach of lease cases will funnel much-needed funds to MLSC to help fund work like PBRC's Courtroom Advocacy and Home Preservation Projects, which assist low-income Marylanders with state tax sale issues, advance planning, foreclosure and eviction prevention. We also work in the immigration realm, representing unaccompanied immigrant children who have been separated from their families. These projects incorporate extensive volunteer service components through community, courthouse and remote clinics that offer essential legal help to thousands of clients in need. PBRC also recruits, trains, and engages hundreds of pro bono attorneys in the myriad of civil legal areas that impact low-income individuals and matches them with other partner agencies. **MLSC funding comprised 59% of PBRC's budget in fiscal year 2023. Thus, much of this work would not be possible without continued funding through MLSC.**

While PBRC supports HB 693, PBRC would caution this Body against any amendments that could allow the increased surcharge to be passed through to the tenants. If that is allowed, there would no longer be a disincentive for landlords to file serial eviction actions and the benefits related to judicial economy would be lost. Rather, the extra charge would be borne by those least able to handle it. Low-income tenants would fall farther behind and would have a tougher time exercising their right to redeem their tenancy post-judgment. **PBRC would oppose any amendments that would allow this surcharge to be passed onto the tenants.**

PBRC urges a FAVORABLE report on HB 693.

Please contact Katie Davis, Director of PBRC's Courtroom Advocacy Project, with any questions.
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¹ A comprehensive nation-wide study of the correlation between filing fees and eviction filings found that "eviction filing fees...have a large effect on eviction practices... Filing fees affect not only the rate but also the purpose of filing, as lower fees make landlords more likely to file serially against the same tenants as a form of rent collection." The Racially Disparate Influence of Filing Fees on Eviction Rates, by Henry Gomory, Douglas S. Massey, James R. Hendrickson, and Matthew Desmond (*Housing Policy Debate*, May 26, 2023).