



HB693

Renters' Rights and Stabilization Act of 2024

House Environment & Transportation Committee

SUPPORT

The Renters' Rights and Stabilization Act of 2024 provides for funding for the Maryland Legal Services Corporation, which is the entity that administers the Access to Counsel in Evictions (ACE) law. The implementation of the ACE law is off to a great start. In just the first year of the implementation, MLSC reports that they have served almost 5000 tenants, 85% of whom have avoided disruptive displacement.

Funding for the ACE law is at a critical stage. We are mid-construction in building up the infrastructure of this new law and we need to complete construction so that Marylanders can actually reap the benefits of the endeavor. ACE is in need of \$6M additional dollars to fully implement in FY2026. Therefore, finding a funding mechanism to do that is critical. This year, the only funding mechanism to fund the ACE law is through the Renters' Rights bill. For this reason, we support the bill and urge a favorable report.

The Access to Counsel in Evictions Task Force

[The Access to Counsel in Evictions Task Force \(ACE TF\)](#) is a legislatively mandated body that was created by HB18, the Access to Counsel in Evictions law. The ACE TF has 15 members, including 3 tenant representatives; 2 landlord representatives; legal services organizations, community groups, the state bar, the judiciary and MLSC. The ACE TF is staffed by the Office of the Attorney General and the Chair of the Task Force is appointed by the Attorney General. The ACE TF's role is to do the following:

- Evaluate the services provided through the ACE Program;
- Study potential funding sources; and
- Make recommendations to improve the implementation of the Program, including necessary policy and statutory changes.

The Task Force has issued three reports to the Governor and the legislature since its inception. The January 2024 annual report was delivered on December 31, 2022 and can be found here: https://www.marylandattorneygeneral.gov/A2C_Docs/2024_ACE_TF_Report.pdf.

Key Recommendations from the ACE TF Report:

The ACE TF deemed permanent and on-going State funding for the ACE Program to be its top

priority to ensure continuity and confidence in building and implementing a successful statewide ACE Program. In light of the end of pandemic era protections and the proven effectiveness of ACE, the ACE TF asserted that the ACE law is poised to serve as the strongest bulwark against disruptive displacement and eviction in Maryland.

Specifically, the Task Force recommended the following in terms of funding:

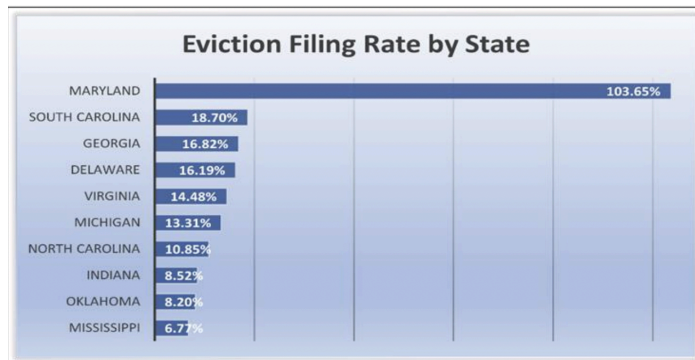
For the General Assembly

- Provide \$6 million dollars in additional funding for the ACE Fund for FY2025 in order to achieve expansion and full implementation of the ACE Program by 2025.
- Reevaluate and readjust funding amounts each year anticipating necessary increases to expand and fund complete implementation.
- Include funding for the Access to Counsel in Evictions Program in the state's budget or making the funding allocation from the Abandoned Property Fund indefinite and variable based on demonstrated annual need.

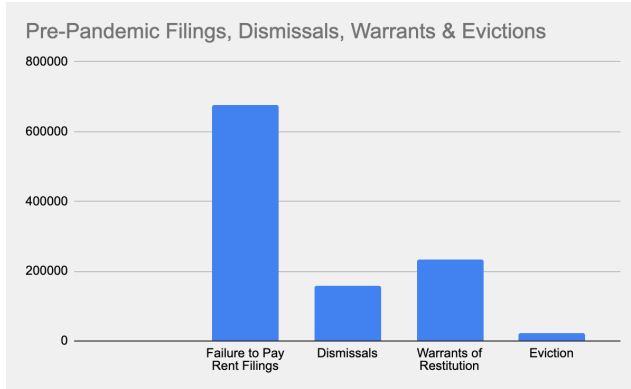
Key Reasons Why the Access to Counsel in Evictions Law is Necessary

As the Committee considers the Renters' Rights bill, it is important to remember why the law was passed in the first instance, and why it is important to continue to fund it to ensure we are able to reap the benefits of the law.

1. High number of case filings: In 2019 - there were 674,575 filings compared to about 805,000 renter households.



2. Case filings are high relative to evictions, but both are high on their own terms. In 2019, there were 674,575 filings, approximately 158K dismissals, approximately 234K Warrants of Restitution & 21,676 Evictions.



3. Evictions are a public health issue

Many studies show that eviction is a public health issue and can exacerbate public health impacts.

4. Evictions have many Collateral Consequences, harming individuals, families and communities. They

- Place a great economic burden on landlords & tenants;
- Hurt future employment & housing prospects of tenants;
- Negatively impact physical & mental health of those impacted;
- **In children:** lower school performance and increase behavioral issues.

5. Disproportionate impact on women & persons and communities of color, especially Black women

2020 Baltimore City study finds that the *“number of Black female headed household removals is 3.9 times higher (296% more) than the number of white male headed evictions.”*

6. Evictions are costly to the state when you add up law enforcement, shelter, healthcare, transportation and foster care costs.

7. Eviction is a complex legal process for vulnerable Marylanders to navigate on their own.

- There is a knowledge gap between landlords and tenants about laws and court process;
- Eviction can involve navigating federal, state, local, contract and case law.
- **1% tenants represented v. over 96% of landlords with some type of legal representation.**

8. “Providing a right or access to counsel to tenants in eviction cases is a proven means of preventing the disruptive displacement of families and the resulting social, economic, and public health costs of such displacement.”

For example, in New York City, 84% of households represented in court by lawyers were able to remain in their homes. In Cleveland, 93% of represented tenants have avoided an eviction or involuntary move.

The ACE Task Force Supports HB693

We need to continue to fund the ACE law to ensure that tenants get the help they need to prevent evictions or disruptive displacement. For the reasons stated, the ACE TF requests the House Environment and Transportation Committee to issue a FAVORABLE report HB693. For more information, please contact Tara Miles or Sophie Asike, OAG staff to the Task Force at tmiles@oag.state.md.us or sasike@oag.state.md.us, or Reena Shah, Chair of the Task Force at reena@msba.org.