

MMHA - 2024 - SB 147- Access to Counsel Reporting.

Uploaded by: Grason Wiggins

Position: FAV



Senate Bill 147

Committee: Judicial Proceedings Committee

Date: January 30, 2024

Position: Favorable

The Maryland Multi-Housing Association (MMHA) is a professional trade association established in 1996, whose members house more than 538,000 residents of the State of Maryland. MMHA's membership consists of owners and managers of more than 210,000 rental housing homes in over 958 apartment communities and more than 250 associate member companies who supply goods and services to the multi-housing industry.

Senate Bill 147 ("SB 147") is a continuation of previous Access to Counsel program reporting that was included in the 2022 Joint Chairmen's Report, see bottom of page 5 and page 6 at this [link](#). Specifically, SB 147 will continue oversight of the Access to Counsel program as funding for the program transitions from federal funds to state funds.

SB 147 helps ensure appropriate evaluation and oversight of the Access to Counsel program and promotes transparency regarding how funding is being utilized for the program. For these reasons, MMHA respectfully requests a favorable report on SB 147.

Please contact Grason Wiggins at (912) 687-5745 with any questions.

MBIA Letter of Support SB 147.pdf

Uploaded by: Lori Graf

Position: FAV

January 30, 2024

The Honorable William C. Smith Jr.
2 East Miller Senate Office Building
Annapolis, MD, 21401

RE: Support – SB 147 - Real Property - Access to Counsel in Evictions Program - Mandated Reports

Dear Chair Smith:

The Maryland Building Industry Association, representing 100,000 employees statewide, appreciates the opportunity to participate in the discussion surrounding **Real Property - Access to Counsel in Evictions Program - Mandated Reports** MBIA **Supports** the Act in its current version.

Senate Bill 147 would seek to alter the information relating to the Access to Counsel in Eviction Program required to be reported by the Maryland Legal Services Corporation each year to include disaggregation by case type, the amount paid to attorneys for each case managed, the geographic distribution of cases, disposition of cases decided, amount of state and federal funds allocated to each designated organization, and the number of individuals provided legal representation for multiple cases.

This bill would increase the level of transparency when it comes to cases before the eviction program. Currently, the level of information provided is too general or not enough. Senate Bill 147 would allow the Maryland Legal Services Corporation better understand these types' of cases: identify where they are happening and the amount of money spent.

For these reasons, MBIA respectfully requests the Committee give this measure a favorable report. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Senate JPR Committee

SB 147_realtors_fav.pdf

Uploaded by: William Castelli

Position: FAV



Senate Bill 147 – Real Property – Access to Counsel in Evictions Program – Mandated Reports

Position: Support

The Maryland REALTORS® is one of the largest trade associations in Maryland with over 30,000 real estate licensees. In addition to representing home sellers and homebuyers, many REALTORS® manage rental property for residential owners. The REALTORS® support SB 147 which will amend a current reporting requirement of the Maryland Legal Services Corporation (MLSC).

MLSC is required to report annually on the number of cases in which it provides legal representation for tenants in households at 50% or less of median income. The report requires the following:

- Information and metrics on case outcomes, and a
- Summary of the engagement and education of tenants

SB 147 provides additional direction in terms of the information provided annually. Under the bill, the report would detail the number of cases and denote which were nonpayment of rent, tenant holding over, or breach of lease. Further, the report would be required to include the amount of money paid to attorneys for each case along with information on the results of the case and the number of clients with multiple cases among other items.

REALTORS® believe additional data can help clarify the need for future funding of tenant representation and provide additional detail on how these resources are allocated among different legal actions. The REALTORS® encourage a favorable report.

**For more information contact lisa.may@mdrealtor.org or
christa.mcgee@mdrealtor.org**

Senator West Testimony - FWA - SB147.pdf

Uploaded by: Christopher West

Position: FWA

CHRIS WEST
Legislative District 42
Baltimore and Carroll Counties

Judicial Proceedings Committee



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

January 30, 2024

The Maryland State Senate Judicial Proceedings Committee
The Honorable William C. Smith, Jr.
2 East Miller Senate Building
Annapolis, Maryland 21401

Re: Senate Bill 147: Real Property – Access to Counsel in Evictions Program – Mandated Reports

Dear Chairman Smith and Members of the Committee,

Senate Bill 147 is an exceedingly simple bill.

Each year, the State Budget contains a notation requiring the Maryland Legal Services Corporation to report quarterly various statistics relating to the Access to Counsel in Evictions Program. The purpose of Senate Bill 147 is to simplify this reporting requirement. It puts the reporting requirement into statute rather than requiring the reporting language to be included in the State Budget each year, and it reduces the frequency of reporting to annually instead of quarterly.

Late last week, I spoke with Michelle Siri, the new Executive Director of the Maryland Legal Services Corporation. She confirmed that MLSC already reports the information required by this bill, but she noted that the MLSC budget is only funded through June 30, 2027. There is an expense associated with providing these reports, and MLSC would not be able to prepare the reports if its funding should be significantly reduced. For this reason, she asked that I amend this bill to sunset the bill as of June 30, 2027. I was happy to accommodate her request. I have requested such an amendment and have provided it to Committee counsel.

I appreciate the Committee's consideration of Senate Bill 147 and will be happy to answer any questions the Committee may have.



SB0147/263825/1

AMENDMENTS
PREPARED
BY THE
DEPT. OF LEGISLATIVE
SERVICES

25 JAN 24
15:20:30

BY: Senator West

(To be offered in the Judicial Proceedings Committee)

AMENDMENT TO SENATE BILL 147

(First Reading File Bill)

On page 3, in line 7, after the period insert “It shall remain effective for a period of 2 years and 9 months and, at the end of June 30, 2027, this Act, with no further action required by the General Assembly, shall be abrogated and of no further force and effect.”.

SB147_MLSC_Informational.pdf

Uploaded by: Michelle Siri

Position: INFO



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

Senate Bill 147
Real Property - Access to Counsel in Evictions Program - Mandated Reports
Senate Judicial Proceedings Committee
Hearing Date: January 30, 2024

Position: Informational Testimony

Maryland Legal Services Corporation (MLSC) provides the following informational testimony regarding Senate Bill 147, enactment of which would codify reporting requirements related to the Access to Counsel in Evictions Program administered by MLSC.

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 46 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.

During the 2021 legislative session, 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. The General Assembly established a goal of full implementation by October 2025 and extended funding for the ACE Program through FY27¹.

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. 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.

MLSC reports on ACE outcomes, including all the data requested in SB 147, via multiple formats. Each quarter MLSC provides a report to the Joint Chairmen of the Senate Budget and Taxation Committee and the House Appropriations Committee, pursuant to requirements set forth in the State Operating Budget. *See Attachment A*. Additionally, MLSC reports to the Governor on an annual basis case statistics and outcomes, the number of people directly affected, and a summary of outreach and education efforts provided by ACE grantees. *See Attachment B*. Finally, the legislatively created Access to Counsel in Evictions Taskforce is responsible for studying potential funding sources for ACE, making recommendations to improve the implementation of the access to counsel program, including necessary policy and statutory changes, and evaluating the provision of services provided as a result of the program. The Taskforce, consisting of 15 members appointed by the Office of the Attorney General, including representatives from both landlord and tenant associations, also releases a comprehensive annual report. The [January 2024 Report](#)² includes substantive data and outcomes as well as evaluations of the policies and procedures related to the administration of ACE.

¹ See Senate Bill 756 (2023)/Chapter 641, Access to Counsel in Evictions – Funding

² Report of the Access to Counsel in Evictions Task Force, January 2024,

https://www.marylandattorneygeneral.gov/A2C_Docs/2024_ACE_TF_Report.pdf

MLSC is extremely proud of the work of the ACE Program and the impact the grantees have made on so many Marylanders' lives. The data accumulated by the ACE Program serves a valuable purpose of informing future policies decisions related to access to counsel.

As the information sought in SB147 is already being provided through various avenues, MLSC takes no position on the proposed legislation and provides this testimony for informational purposes. It is understood that a sponsor-amendment will be introduced to limit the reporting requirement to the sunset of funding. MLSC would support such an amendment. If we can provide any further information or assistance, please do not hesitate to contact Michelle Siri, Executive Director, at 410-576-9494 x1009, or msiri@mlsc.org.

ATTACHMENT

A



Maryland Access to Counsel in Evictions Program

**JCR FY24 Quarterly Report #2
(October 2023 – December 2023)**

Submitted by



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

January 2024

Background

In 2021, the Maryland General Assembly created the Access to Counsel in Evictions program (“ACE”) via HB 18/Ch. 746 and designated Maryland Legal Services Corporation (“MLSC”) as the administrator. MLSC is a legislatively created nonprofit 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.

HB 18/Ch. 746 (the “ACE statute”) provided parameters for ACE, including tenant eligibility, implementation timing and prioritization, case types applicable for legal representation, and tenant outreach and education requirements. It also created the ACE Task Force and the ACE Special Fund. While the ACE statute went into effect October 1, 2021, no funding was designated for the program for fiscal year 2022, neither through the ACE Special Fund nor via any other funding stream, so services were not launched until funding was allocated in FY23.

MLSC is phasing ACE in over a three-year period, with a statutory goal of full implementation by October 1, 2025. The statute required MLSC to prioritize funding services in jurisdictions designating their own funds for eviction prevention legal services, and therefore the ACE program launched the first phase in 11 jurisdictions in FY23. In FY24, legal services expanded to the remaining 13 jurisdictions across the state. Other components of ACE include a coordinated intake system (now live in Baltimore City, with full roll-out planned by the end of 2024), tenant outreach and education, and evaluation.

Q2 Expenditures

Legal Services Grants	\$3,468,570.25
Coordinated Intake Grants	\$311,046
Outreach Contractors & Materials	\$500
MLSC Administration	\$7,767
Evaluation & Data Collection	\$62,561
Brochures to Accompany Summons	\$2,232
Total	\$3,852,676.25

Q2 Closed Cases

The following data represent ACE cases closed during Q2 of FY24. From these closed cases, the legal services providers helped Maryland residents receive more than \$346,000 in housing judgments and avoid more than \$2.02 million in direct costs. Additionally, grantees are carrying nearly 825 ongoing cases into the next quarter.

Of the tenants who received full representation in Q2, 83% avoided disruptive displacement. The Public Justice Center, for example, received a referral from Coordinated Intake for a tenant facing eviction for failure to pay rent just two days before the hearing date. The tenant was raising three children in West Baltimore and reported numerous ongoing conditions issues at the property. PJC moved quickly to prepare a defense. They determined that the property had somehow obtained a rental license with an active Vacant Building Notice from code enforcement, meaning that the property was determined to be uninhabitable. PJC worked with the Baltimore City Department of Housing and Community Development to revoke the spurious rental license and the landlord dismissed the case, thus preventing

the family’s disruptive displacement and motivating the landlord to make the necessary repairs to the home. In another example, Community Legal Services represented a tenant in Anne Arundel County whose mother had passed away due to cancer. The family had lived in federally subsidized housing for many years and the mother had always handled the recertification process. Although the tenant successfully submitted the recertification to the property, they missed the deadline for the voucher recertification. The local public housing authority terminated the voucher and the tenant was at risk of eviction. CLS advocated on the tenant’s behalf with the public housing authority and, due to the timely intervention and persistence of the attorney, they agreed to reinstate the client’s voucher.

Type of Eviction	Q2 Cases
Failure to Pay Rent	2,729
Breach of Lease	103
Tenant Holding Over	163
Subsidy Termination	25
Other	17
Total	3,037

County of Client Residence	Q2 Cases
Allegany County	9
Anne Arundel County	661
Baltimore City	587
Baltimore County	421
Caroline County	5
Carroll County	24
Cecil County	2
Charles County	65
Dorchester County	5
Frederick County	103
Garrett County	3
Harford County	56
Howard County	12
Kent County	8
Montgomery County	106
Prince George's County	806
Queen Anne's County	4
St. Mary’s County	5
Somerset County	13

Talbot County	3
Washington County	118
Wicomico County	10
Worcester County	11
Total	3,037

Case Disposition	Q2 Cases¹
Prevented eviction from public or subsidized housing	189
Prevented eviction from other housing	687
Prevented termination of housing subsidy	29
Delayed eviction, providing time to either pay-and-stay or seek alternative housing, thus preventing disruptive displacement	763
Prevented eviction filing	55
Prevented denial of public/subsidized housing tenant's rights	3
Avoided or obtained redress for illegal or unfair charges by landlord	48
Overcame denial of tenant's rights under lease	5
Enforced rights to decent, habitable housing	17
Obtained reasonable accommodation	1
Preserved or restored access to personal property	2
Obtained repairs to dwelling	2
Obtained cash-for-keys, relocation assistance or other tenant settlement	14
Obtained neutral reference from landlord	1
Obtained other benefit for tenant	10
Obtained advice or counseling (client may have declined full representation)	949
Obtained representation in litigation or administrative proceeding	330
Client withdrew	10

Number of clients receiving services in more than one case	249	8.2%
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Funds Per Case

The cost of each eviction prevention case varies widely based on several factors, including:

¹ Some grantees report more than one benefit per case for some cases.

- The jurisdiction of the case, which affects things like the average salary of staff attorneys, the availability of trained pro bono attorneys, the procedures of the local court, and the length of time between case actions (e.g., when an eviction case is filed, when the tenant receives notice of the filing, or when the case is heard);
- The type of eviction case (ex. failure to pay rent, breach of lease, tenant holding over) and whether it involves a subsidy;
- The details of each case, which dictate what defenses a tenant may or may not have.

Based on this variability, MLSC does not set a value per case, but requires applicants to submit budgets of personnel and non-personnel costs. MLSC staff and board members evaluate proposed budgets based on experience with past grantmaking and availability of funds. MLSC also does not generally pay all awarded funds up front so that staff can monitor financial reporting and adjust funding if needed.

Using the reported closed cases and grantee expenditures to date, closed cases would average approximately \$895 per case. This is a reduction from prior quarters and does not account for the nearly 825 opened and ongoing cases reported by grantees. To gain a better understanding of these values, MLSC has recently launched a pilot program with a large grantee to capture the amount of time spent per case type.

Rejected Tenants

The following data represents the number of tenants who were not accepted for representation by individual legal services providers during Q2. In the vast majority of these cases, the grantee referred the tenant to another legal services provider, meaning the tenant may have ultimately received service. We have taken steps to refine our tracking methods, in hopes of eliminating any duplication resulting when a tenant is “rejected” by one provider but served by another. The expansion of the Coordinated Intake system will also help to decrease this number, as tenants will only be referred to providers appropriate for their case in the first place.

Reason for Rejection	Q2 Number of Tenants
Insufficient Resources to Take Case	28
Insufficient Resources to Provide Appropriate Level of Service for Case	322
Conflict of Interest	24
Not in Provider's Case Acceptance Guidelines (Case Type, Geography)	165
Client Already Has Representation	4
Other	18
Total	561

ATTACHMENT

B



Maryland Access to Counsel in Evictions Program

**Fiscal Year 2023 Report
(July 2022 – June 2023)**

Submitted by



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

**August 2023
Final**



Introduction

In 2021, the Maryland General Assembly created the Access to Counsel in Evictions program (“ACE”) via HB 18/Ch. 746 and designated Maryland Legal Services Corporation (“MLSC”) as the administrator. MLSC is a legislatively created nonprofit 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 General Assembly created MLSC concurrently with the Interest on Lawyer Trust Accounts program, and in fiscal year 2023 MLSC provided funding to 38 nonprofit organizations serving Marylanders across the entire state.

HB 18/Ch. 746 provided parameters for ACE, including tenant eligibility, implementation timing and prioritization, case types applicable for legal representation, and tenant outreach and education. It also created the ACE Task Force and the ACE Special Fund, as well as the following reporting requirement:

“On or before August 31 each year, MLSC shall report to the Governor and, in accordance with § 2-1257 of the State Government Article, the General Assembly:

- (1) The number of covered individuals provided legal representation during the previous fiscal year;*
- (2) Information on and metrics evaluating case outcomes; and*
- (3) A summary of the engagement and education of tenants.”¹*

Case Statistics and Outcomes

The following data represent ACE cases closed during FY23. From these closed cases, the legal services providers helped Maryland residents receive more than \$420,000 in housing judgments and avoid more than \$3.52 million in direct costs.

Type of Eviction	Cases
Failure to Pay Rent	3,539
Breach of Lease	108
Tenant Holding Over	264
Subsidy Termination	20
Other	42
Total	3,973

County of Client Residence ²	Cases
Anne Arundel County	663
Baltimore City ³	525
Baltimore County	1,071
Caroline County	49
Dorchester County	40
Frederick County	68
Kent County	29
Montgomery County	396
Prince George's County	1,093
Queen Anne's County	12
Talbot County	25
Other Maryland	2
Total	3,973

¹ MD Code, Real Property, § 8-907

² MLSC is phasing in ACE over a three-year period, with a statutory goal of full implementation by October 1, 2025. The statute requires MLSC to prioritize funding services in jurisdiction that designated their own funds for eviction prevention legal services. In this first year, the jurisdictions in this table were designated for Phase 1 expansion of legal services.

³ Does not include more than 450 cases closed under Baltimore City’s Right to Counsel in Evictions program, which is separately funded by the City.



Case Outcome	Cases ⁴	People Directly Affected
Prevented eviction from public or subsidized housing	159	396
Prevented eviction from other housing	1,054	2,683
Prevented termination or denial of housing subsidy	11	16
Delayed eviction, providing time to either pay-and-stay or seek alternative housing, thus preventing disruptive displacement	1,093	2,545
Prevented denial of public/subsidized housing tenant's rights	6	6
Avoided or obtained redress for illegal or unfair charges by landlord	67	168
Overcame denial of tenant's rights under lease	5	19
Enforced rights to decent, habitable housing	22	50
Obtained reasonable accommodation	1	3
Preserved or restored access to personal property	3	6
Obtained repairs to dwelling	7	23
Obtained cash-for-keys, relocation assistance or other tenant settlement	9	19
Obtained other benefit for tenant	30	67
Obtained advice or counseling (client may have declined full representation)	993	2,208
Obtained representation in litigation or administrative proceeding	537	1,286

Tenant Outreach and Education

MLSC has selected seven community groups to perform tenant outreach and education. Outreach and education efforts were purposefully staggered behind the expansion of legal services so that legal providers could establish their services and ensure their capacity to serve new tenants referred by the outreach providers. Outreach contractors met in quarter 4 of FY23 to plan, develop shared messaging, and share best practices. The contractors will be using a variety of outreach methods – including door-knocking, tabling at community events, digital marketing and more – to inform tenants of their rights and of the existence of the ACE program. Contractors will focus their outreach on Phase I jurisdictions to begin the program, expanding to Phase II once the legal services are established.

Even though outreach efforts launched in quarter 4, contractors have already reached a significant number of tenants. Through both targeted efforts and outreach at established community events, they provided information to more than 12,600 tenants. The contractors have also established or strengthened relationships with the legal services providers to offer know-your-rights presentations and streamlined referrals.

⁴ Some grantees report more than one benefit per case for some cases.