



MLSC

MARYLAND LEGAL SERVICES CORPORATION

IOLTA - INTEREST ON LAWYER TRUST ACCOUNTS

Testimony Concerning HB 18
“Landlord and Tenant - Eviction Action - Right to Counsel”
Submitted to the House Judiciary Committee
Hearing Date: February 17, 2021

Position: Support

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Maryland Legal Services Corporation requests a favorable report on HB 18, enactment of which would establish a right to access legal representation in eviction proceedings for income-eligible Marylanders and facilitate delivery of that representation.

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 36 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 nearly 3.7 million Marylanders with a wide variety of civil legal needs.

Over the past several years, MLSC has sought to complement the growth of advice and referral resources available to Marylanders. Time and time again, MLSC heard from its nonprofit grantees that they were encountering large numbers of Marylanders attempting to go it alone in complex court cases, but the organizations did not have dedicated resources to adequately assist clients in litigation. In response, we launched the Extended Representation Project in July 2018, which prioritizes placing attorneys in court with clients – clients who very likely would have otherwise gone unrepresented.

Through the Extended Representation project, several grantees launched or expanded rent court projects. With just a handful of staff, pro bono and low bono attorneys, these organizations have seen remarkable results. They helped tenants avoid evictions from both private and public rental housing, prevent termination of rental subsidies, obtain redress for illegal charges and enforce their rights to decent, habitable housing.

With Extended Representation money, other grants from MLSC and various other funding, Maryland’s legal services organizations assisted in nearly 4,600 cases that benefited more than 12,000 tenants from July 2018 through June 2020. They would have helped even more clients if not for the court closures and various moratoria resulting from the COVID-19 pandemic.

Unfortunately, a total of 4,600 cases barely moves the needle when compared to the million-plus evictions that were filed over those two fiscal years. While legal services providers helped these 12,000 tenants avoid displacement and potential homelessness, hundreds of thousands more went without representation – many not knowing legal help was available. Most tenants facing eviction in Maryland

do not even attend their hearing, feeling frightened and believing there is no hope with nowhere to turn.

Eviction cases are filed in every Maryland jurisdiction, and the number of people facing eviction due to the COVID-19 pandemic has increased exponentially. According to court data, in 2019 there were nearly 672,000 failure-to-pay-rent filings across the state, from Western Maryland to the Eastern Shore and everywhere in between. This is an astounding number considering there are fewer than 705,000 rent-paying households in Maryland. Legal representation is essential in these cases, and more resources are needed to expand this valuable service statewide.

Evictions are not just an urban phenomenon. In 2019, Maryland had a statewide average of 59 failure-to-pay-rent case filings per every 100 rent-paying households. While large jurisdictions had the most eviction filings in absolute numbers, some smaller counties also had an incredibly high filing rate. St. Mary's County has 2,832 rental households according to the U.S. Census Bureau, but in 2019 there were 4,459 eviction filings there – a rate equivalent to 183% of rental households.

HB 18 also creates a Right to Counsel in Evictions Coordinator in the Office of the Attorney General. Should the Office of the Attorney General choose to contract out the role of the Coordinator, with sufficient funding, MLSC would be willing and able to fill this role. MLSC has long been a trusted convener and funder of such services and has the expertise necessary to ensure the most effective distribution of legal services funding.

MLSC urges favorable consideration of HB 18.