



PRESS RELEASE

Attorney General Frosh, COVID-19 Access to Justice Task Force Request Governor Hogan Dedicate Portion of CARES Act Funding to Rental/Debt Assistance and Legal Aid

BALTIMORE, MD (September 1, 2020) – Maryland Attorney General Brian E. Frosh and the Attorney General’s COVID-19 Access to Justice Task Force today sent letters to Governor Hogan requesting a portion of CARES Act funding be dedicated to stem the anticipated tide of mass evictions and debt collections. The moratoria on evictions for failure to pay rent and consumer debt cases expired August 31st. An already strained civil justice system will be flooded with new civil cases, and the health and welfare of individuals and families forced into homelessness and subjected to wage garnishments will be further endangered in the midst of the COVID-19 pandemic. Nearly 1 million Marylanders have lost their jobs, and 330,000 renters are predicted to face eviction by year’s end.

While it remains unclear how much of the \$2.4 billion in CARES Act funds has been allocated and for what purposes, in its [letter](#), the Task Force identified four critical areas where expenditure of CARES Act dollars would have an immediate impact:

- **Rental Assistance - \$135M** - Increased funding for temporary rental assistance to keep Marylanders housed and provide landlords with the means to pay their mortgage and other obligations. As the pandemic continues, providing temporary rental assistance will be vital to ensuring housing stability and public safety.
- **Civil Legal Aid Funding - \$5M** - Unlike in criminal cases, there is no right to an attorney in most types of civil cases. As demand for civil legal assistance continues to mount, funding and resources dedicated to civil legal aid organizations has declined. Multiple studies have shown that legal representation is the key factor to a successful case outcome.
- **Case Management, Counseling & Social Service Supports - \$2.8M** - As Marylanders fall ill, lose jobs, face eviction, experience food insecurity, and encounter myriad other calamities caused or exacerbated by the pandemic, additional funding will be necessary to bolster case management, counseling, and social support services to manage or resolve their civil legal problems.
- **Public Awareness - \$800,000** - The desperate circumstances in which so many Marylanders find themselves are only exacerbated when they have no idea where to turn or what resources exist. Funding must be dedicated to create a multi-pronged public information and outreach campaign that includes a centralized information hub and

resource center, and a communications strategy utilizing website, social media, targeted advertising and PSAs, and community partnerships.

In a separate [letter](#) to Governor Hogan, Attorney General Frosh requested that approximately \$8 million in expected settlement funding recovered by the Office of Attorney General be used for temporary rental assistance and related civil legal aid for families facing eviction. This would be in addition to the funding for rental assistance requested by the Task Force in CARES Act funding.

In his letter, Attorney General Frosh noted: “Temporary rental assistance and civil legal aid will prevent families and all of their possessions from being put out on the street as a result of a pandemic that is completely outside of their control. It will also prevent the many consequences that flow from loss of a home, including: increasing educational inequities, jeopardizing chances for employment, ruining credit scores, endangering the physical and mental health of the tenants and elevating the risk of spread of COVID-19.”

The \$8 million would be made available from the Office’s 2018 settlement with Deutsche Bank. Under the terms of the settlement, any funds remaining after state and local government claims are paid go into the Mortgage Loan Servicing Practices Settlement Fund. Those remaining funds can be used, among other things, for “any ... public purpose reasonably related to housing and foreclosure relief.”

The investments identified by the Task Force and Attorney General Frosh do not cover the full range of needs of Marylanders in this unprecedented time in our nation’s history. But CARES Act funding is time-limited, and Attorney General Frosh and the members of the Task Force feel strongly that the needs identified in their letters require urgent investment and will have a direct impact on Maryland’s economic recovery.