



State of Connecticut
Latino and Puerto Rican
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February 19, 2009

**AN ACT CONCERNING PROTECTIONS FOR A TENANT
WHOSE LANDLORD IS SUBJECT TO A FORECLOSURE
ACTION**

Good Day Senator Gomes, Representative Green, and members of the Housing Committee. My name is Lina Lorenzi and I am a Legislative Analyst for the Latino and Puerto Rican Affairs Commission (LPRAC). I am here on behalf of LPRAC in support of H.B. 6143 "An Act Concerning Protections for a Tenant Whose Landlord is Subject to a Foreclosure Action."

H.B. 6143 would establish protections for a tenant whose landlord is subject to a foreclosure both during and after the foreclosure process. According to a 2008 research brief entitled "Renters in Foreclosure" released by the National Low Income Housing Coalition that focuses on the relationship between foreclosure, poverty rates and rates of rental housing in New England, more than 20% of the properties facing foreclosure nationwide are rentals. And because rental properties often are home to multiple families, renters make up roughly 40% of the families facing eviction. The brief goes on to say how very low income families and low income and minority communities bear the brunt of rental foreclosures. Renters in foreclosed properties have been evicted from their homes without proper notice, security deposits have been lost, unexpected moving expenses have been incurred by renters who have happened to be renting from the wrong landlord at the wrong time. The Latino community in Connecticut has suffered a severe blow in the rental market due the subprime foreclosure crisis. What with approximately 12% of Connecticut's population being Latino coupled with the large concentrations of Latinos in the state's urban areas where the majority of foreclosures have and will continue to occur,



greater protections before and after the foreclosure process are desperately needed for Latino renters. Paying the rent on time is of little consequence to a renter caught in the foreclosure tangle of landlord in a community of color. In Connecticut, renters have little recourse in the courts once the foreclosure process has begun. H.B. 6143 would afford renters among other rights, the right of staying in the rental property during the pendency of foreclosure litigation and rental rights in the foreclosure property despite a change in ownership.

In addition to the catastrophe of good tenants losing their homes to landlord foreclosure, rental properties are becoming increasingly scarce. This further complicates the rental dilemma for the Latino community in Connecticut. Howard Pitkin, the State Banking Commissioner in Connecticut and Co-Chair of Governor Rell's Mortgage Foreclosure Commission stated "Record foreclosure may depress property values, create neighborhood instability and blight as well as place increased demand on the supply of affordable rental property."

The increase in the number of renters who have lost their homes to foreclosure has also contributed to the increase in the number of Connecticut's homeless. The Point-In-Time Count 2008 indicates a 13% increase in homeless families across Connecticut from 2007 to 2008; including a 21% increase of sheltered families. H.B. 6143 will protect the state's Latino community from further suffering brought about by the subprime foreclosure crisis and its resultant aftermath. LPRAC strongly urges you to pass H.B. 6143. The LPRAC was created by the Legislature of the State of Connecticut through Public Act No. 94-152, taking effect February 1, 1995. LPRAC is part of the Legislative Branch and governed by Section 2-120 of the Connecticut General Statutes. LPRAC is mandated to review and comment on any proposed state legislation that would affect the Latino population in the state. Thank you.