

Testimony of Atty. Amy Eppler-Epstein
New Haven Legal Assistance Association
In Support of Funding for Legal Services
February 9, 2010

My name is Amy Eppler-Epstein, and I have been an attorney at New Haven Legal Assistance since graduating from law school in 1986. My work has been primarily in the area of housing law, representing tenants. I want to tell you about some of the work we've been doing in an area that you have been hearing a lot about these days: foreclosures. Although a lot of the news has focused on the high rate of homeowners losing their homes to foreclosure, legal services advocates in CT have been focusing on another problem: the effect of foreclosures on tenants. I want you to hear what kind of advocacy work will be lost if legal aid programs are forced to lay off staff as a result of the economy's impact on IOLTA, and if the legislature's support for legal services is not sustained.

Since the fall of 2008, we have been fighting a battle to assist and protect tenants who are facing eviction by banks that have taken over their homes through foreclosure of their landlords. Throughout the state, banks are foreclosing on the landlords of multi-family properties, and then automatically evicting the tenants, leaving properties boarded up and vacant, targets for vandalism and crime; causing neighborhood destabilization and blight; and dislocating hundreds of families who are forced to uproot their families and move despite following all the rules and paying their rent. Legal services advocates throughout the state have combined our efforts to tackle this problem, and are achieving results: in December 2008, after threatening suit under a provision buried in the federal bank bailout law, we were able to get Fannie Mae, and more recently Freddie Mac, to institute a nationwide moratorium on evictions. They agreed to stop evicting tenants after foreclosure, and develop programs to offer such tenants month to month leases while Fannie Mae and Freddie Mac market the properties for sale.

By bringing national attention to this problem, legal services and national housing advocates helped in the development of federal legislation to assist tenants in these situations; in May of 2009, the federal Protecting Tenants at Foreclosure Act was signed into law. Since that time, legal services attorneys have been working in housing courts throughout Connecticut, to ensure that this new federal law, as well as the protections enacted by the Connecticut legislatures, are enforced.

The federal law requires banks to allow tenants to live out their leases; and to give all tenants at least 90 days before starting an eviction. Connecticut law requires that banks that want to give tenants cash incentives to move out, commonly called "cash for keys," must pay at least a specified minimum amount, usually \$2000. Through our monitoring and advocacy in court, we have found

banks, realtors and law firms violating these tenant protections. In the most egregious examples, realtors come to tenants' doors and tell them that the bank now owns the property and they will have to move immediately, and offer to pay them \$500 to move in a week or two—without ever telling them of their right to 90 day notice before an eviction can be commenced, or of their cash for keys rights.

At the end of the year, we issued a report documenting these violations to the CT Attorney General. We are pleased to report that the Attorney General has issued 30 cease and desist letters to realtors, banks and law firms, and intends to pursue enforcement actions to all parties that do not comply with the law.

One thing that these stories show is that *writing* a good law is often not enough; you need to have good advocates to make sure that the law is enforced. In the case of Fannie Mae and Freddie Mac, it took legal services advocates first to *find* the tenant protections in the federal law, and then to threaten suit, in order to get it enforced. More recently, we have had to constantly monitor post foreclosure evictions in housing court, to ensure compliance with the new state and federal protections. This is why it is so important to provide enough legal aid lawyers to be able to operate in courtrooms throughout all parts of the state, and make sure that these laws are enforced throughout Connecticut.

Further, these stories show that in protecting the rights of the poorest and most vulnerable in society, legal services advocates at the same time protect the rights of us all. When we make sure that banks cannot put low income tenants on the street with no opportunity for them to be heard in court, those same protections apply to all tenants. When we ensure that Fannie Mae offers leases instead of eviction cases to tenants whose landlords have lost the property to foreclosure, that protection applies just as much to a middle class renter, as to a poor one. Similarly, the systemic protections for victims of domestic violence, or for children, that are the subject of the work of some of my colleagues, benefit more than just the neediest population.

I have been before this legislature at various times in my 22 years with legal services, urging your support for various pieces of legislation to help my clients. This past year, when we were hit with the precipitous loss of 80% of our IOLTA funding, was the first time that I ever came here to ask for your support to help legal services; because never before had we faced such a dire funding situation. We are incredibly grateful for the help you gave us at that time; and hope that you will be able to sustain the legal services appropriations in the budget, so that we don't lose more staff, and are able to continue this important work. My colleagues and I at legal services are very committed to the work that we do. We see it as our mission to help low income people, who are so often marginalized and voiceless, get a fair shake from our legal system. We count on your continued support to enable us to keep doing our job, and helping our clients.