

## **Testimony of Atty. Amy Eppler-Epstein**

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### **In Support of H.B. 5410 (Sections 3 &4)**

I am here today to urge you to adopt Section 3 of HB 5410. This Section has the stated purpose: "to adopt as state law the central protections for tenants after foreclosure contained in the federal Protecting Tenants at Foreclosure Act of 2009."

In May of 2009, the federal government passed the Protecting Tenants at Foreclosure Act (PTFA). This law was passed in response to the nationwide foreclosure crisis, and the growing awareness in communities throughout the country, that foreclosures were not only affecting homeowners; they were also displacing growing numbers of tenants. When landlords defaulted on their mortgage payments and banks foreclosed on the rental properties, the foreclosing banks were uniformly bringing evictions against these tenants. Often, landlords never informed the tenants that the properties were in foreclosure; the tenants found out only when they received an eviction notice from the foreclosing banks. Because under state law a lease did not survive foreclosure, these tenants could find themselves being forced to move even when they had many months left on the leases they had entered with their prior landlord.

The federal law responded by requiring that all tenants must get at least 90 days notice before the foreclosing bank can bring an eviction action and by allowing tenants with existing written leases to live out those leases before the bank can commence eviction. The federal law, which applies to all foreclosing banks in Connecticut, has a sunset date of December 31, 2012.

Section 3 of HB 5410 essentially takes these provisions of the federal PTFA law and codifies them as part of our state law, so that they will remain the requirement in Connecticut, whether or not the federal PTFA is extended in 2012. This is good policy, and it is fair. It gives tenants a minimum of 90 days notice before an eviction can be commenced, so that they can have a chance to plan and, in many cases, make arrangements to move. In cases where tenants had leases and the expectation that they could stay for the lease term, it allows tenants to live out the lease and their expectation of occupancy. Combined with CGS Sec. 47a-20f, it also provides an option when the tenant and the foreclosing bank both want to end the rental relationship sooner. That law allows banks to give financial incentives, generally called "cash for keys," for tenants who want to move more quickly and need the financial help to relocate. The proposed amendment in Sec. 4 of HB 5410 makes a technical correction to that law, to make clear that such cash for keys incentives must be at least \$2000.

I represent many tenants in eviction cases brought by foreclosing banks. Without exception, when they learn of the foreclosure and that the banks want them out, these clients are scared and anxious. They are afraid they will be homeless and put out on the street. Knowing that they have at

least 90 days notice before an eviction can commence is a great comfort to them, and it gives them the chance to look for suitable housing and not feel like they have to move into the first place they find. Often, they will be trying to find a place that is close to their job or to day care providers, or allows their children to remain in the same schools, or provides some kind of feature that they need, such as minimal stairs or permitting pets. The extra time and notice can take what is an inherently stressful situation of being forced to move and make it at least a little bit more manageable.

I therefore urge you to pass HB 5410 and ensure that the current requirements of the federal PTFA continue to remain the law in Connecticut, regardless of whether the federal law is extended in 2012.