CONNECTICUT LEGAL RIGHTS PROJECT

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Connecticut Legal Rights Project

Human Services Committee Public Hearing March 15, 2011

Connecticut Legal Rights Project (CLRP)

- **SUPPORTS the revival of the Security Deposit Guarantee Program by Section 27 of S.B. 1013 but**
- **OPPOSES the increase in the disqualification period from 18 months to five years and lifetime disqualification for those against whom claims have been filed twice and**
- **SUPPORTS S.B. 1146**

CLRP is a non-profit legal services organization that advocates for low-income individuals in institutions and in the community who have, or are perceived to have, psychiatric disabilities. We promote initiatives that integrate clients into the community. An important part of our work is protecting people's housing, which includes representation in summary process.

CLRP supports these bills for the following reasons:

The Security Deposit Guarantee Program ("SDGP") provides an essential resource to very low income people who are trying to become housed after a period of homelessness or institutionalization, or who are trying to move. The statutory limit on security deposits is two months of rent, which is an amount of money that our clients, who are frequently on very low fixed incomes, cannot possibly accumulate. The Security Deposit Guarantee Program does not require the state to disburse any money unless and until the tenant moves out and the landlord makes a claim for and provides proof of damages to the unit beyond "normal wear and tear." On the other hand, our statutes do not require a landlord to return a security deposit until 30 days after a tenant moves out. This creates a gap that makes a move next to impossible without assistance or a guarantee. Frequently my clients have to push hard to get even part of their deposits back from landlords who expect use this money for renovation of aging units. The Department of Social Services, holding the money, is in a much stronger position to ensure that any damages paid for are actual damages and that any receipts are

for repairs, not estimates. Thus the availability of the guarantees is critical to people obtaining and maintaining safe affordable housing.

- We are very concerned about and **OPPOSE** the changes in the program that would allow a person to apply and receive such a guarantee only once in a five year period. Some people have to move more often that than, through no fault of their own. Even if one is a perfect tenant with a perfect landlord, and the deposit will be returned in full a month after vacating the premises, it is impossible to access a new apartment without a security deposit (or a guarantee) in hand. The tenants are at the mercy of the few landlords who will forego a security deposit, or permit payment over time, after the tenant is in residence. Those are the landlords who are extremely kind and generous, or the landlords whose buildings are in such bad condition that they have nothing to lose. The lack of a security deposit guarantee can result in homelessness. Similarly, banning a person for five years for whom a claim has been paid will keep one person out of housing, but will not prevent future claims. As I have explained, some claims are paid and should not be. Some claims are minor. In my experience, while there are a few people who are simply destructive tenants, sometimes unintentionally so, most people have a particular situation that does not warrant a ban on a SDG. Some people have inadvertently left something on the stove that caused a fire and smoke damage. Some people have a child who put a ball through a window (I bet there are many people at the hearing who have broken a window by mistake at some time or another!). These are legitimate claims by the landlord, but should not sentence a person to homelessness or substandard housing for five years. For many good tenants, no SDG means homelessness.
- SB 1146 sets aside a percentage of SDGP funds for Section 8 (federal) or RAP (state) rental assistance vouchers. These tenants only pay a percentage of their income in rent the security deposit is not subsidized. While the vouchers are portable, allowing tenants to move into any neighborhood within the budget set out by HUD, the lack of a security deposit can lock a tenant into a particular unit for long after they want or need to move. In addition, the voucher can be lost because, for example, the unit fails to pass an inspection or the landlord refuses to sign the contract with the funder. In those situations, the tenant is given a limited period of time to find a new unit, but without a security deposit guarantee, may not be able to secure new housing within the time permitted. At best, the tenant may find someone willing to take the deposit over a period of months, or a lower deposit. This is a drastic limit to the choices of the

tenant, and defeats the purpose of the voucher programs to widen the range of housing opportunities for low income people and people with disabilities.

Therefore we urge the committee to reinstate the SDGP with the improvements of S.B.1146, but to delete the increase in the disqualification period and the disqualification of persons against whom claims have been filed twice that is included in S.B.1013 Section 27.

Thank you for your attention to this matter.

Respectfully Submitted,

Sally R. Zanger
Staff Attorney