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Testimony of Atty. Amy Eppler-Epstein  
New Haven Legal Assistance Assoc.  
Regarding SB 1013 and SB 1146  
March 15, 2011

I am here today to urge you to preserve the Security Deposit Guarantee Program as a key means of dealing with homelessness. In particular, I urge you to make several changes in Section 27 of S.B. 1013 and also to approve S.B. 1146, which would provide a 10% set aside for mobility moves.

The Security Deposit Guarantee Program (SDGP) has been one of the state's most effective and cost efficient tools for preventing homelessness, by enabling families to have the resources to move into a new apartment when they are losing their prior housing. I work in the Housing unit of New Haven Legal Assistance, and the existence of DSS's security deposit guarantee has been a key factor for enabling my clients to move, and prevent homelessness. I have had countless cases where a tenant has had to move for no fault of their own: sometimes, it is a landlord who is evicting because they want the apartment for a family member. Sometimes, it is a bank that has foreclosed on the property, and is trying to empty it out. For such families, the SDGP has enabled them to make a smooth transition to new housing in a way that is beneficial for the family. And it is also cost-efficient for the state, because providing a security guarantee is clearly much more inexpensive than providing shelter to a homeless family.

The Security Deposit Guarantee Program has been frozen due to lack of funds for the past year. This freeze has hurt many tenants in this transitional situation. I'm glad there is funding in the budget for the program, but I oppose the 30% cut to the program in the Governor's budget, and I urge the legislature to restore full funding to the program.

Two provisions of the bill are of great concern to me: SB 1013, Sec. 27, increases from 18 months to 5 years, the period of time a tenant must wait to be eligible to apply again for a security deposit guarantee and allows DSS to impose a lifetime ban on eligibility if claims have twice been made against a person's security deposit guarantee. If implemented, these restrictions will prevent needy families from being able to obtain other permanent housing. Especially in the current economic climate, where landlords are losing their houses to foreclosure, or selling their properties, or failing to maintain them to such an extent that tenants want to move to find better housing, it is not uncommon to see tenants having to move fairly frequently—and much

more frequently than every 5 years. The extension from 18 months to 5 years in particular will make many families ineligible, and force them to double up or go to a shelter if they cannot come up with the funds for a deposit.

Towards this end, we also propose an amendment that will not cost the Department any money, but will give the program greater flexibility so it can be more useful to tenants. We have drafted an amendment that would permit tenants to transfer their security deposit guarantee to a new property, if the landlord provides a written waiver that they will not be filing a claim for security deposit. This would be particularly helpful in the many cases I have had where a bank has foreclosed on a landlord, and the bank now wants the tenants out of the buildings. In such instances, under our proposal, if the bank signed a waiver agreeing not to file a claim for the security guarantee, the tenant would be eligible to transfer the security guarantee to another property. This would ease the transition for families, enabling them to find other housing and have the resources to move; and would not result in any additional cost to the Department.

Finally, we support the set aside of 10% of security guarantees for mobility moves, as provided in SB 1146. Our state has embraced the use of Section 8 vouchers to encourage housing mobility, and currently funds three mobility programs to assist such tenants in making moves to less racially and economically impacted communities. The opportunities provided by mobility moves, both in educational opportunities for children and employment opportunities for families, make significant and important improvements in such families' lives. Having a security deposit guarantee is critical to enable such families to be able to use these mobility services, and make such mobility moves. I therefore support the 10% set aside for mobility vouchers.