



FR

Connecticut Coalition to End Homelessness

77 Buckingham Street, Hartford CT 06106 | P (860) 721-7876 | F (860) 257-1148 | www.cceh.org

Testimony of Carol Walter, Executive Director of the CT Coalition to End Homelessness Insurance Committee Public Hearing-January 25, 2011

H.B. 5031 -- Three-month security deposit

This bill would allow landlords to demand a three-month security deposit, an unreasonably high amount which will render access to rental housing virtually inaccessible to thousands of families and individuals attempting to leave the streets and shelter for housing as well as those who are at imminent risk of homelessness. We ask that the committee take no further action on this bill.

Connecticut law currently allows the landlord to require two months security deposit, plus the first month's rent. This means that a landlord can currently require a tenant to pay three months' rent just to move in-a difficult and sometimes impossible hurdle for many working CT citizens who are trying to leave shelter. Passage of this bill would mean that the initial security deposit can equal the equivalent of four months rent in order to move into a newly leased unit. People who are attempting to leave shelter most certainly do not have this amount of cash or resources at their disposal. Assistance programs targeted to help homeless families and individuals, or those at risk, with security deposits-including philanthropic, local, state and federal resources-will certainly be unable to stretch and meet the growing demand for assistance along with the significant increase in costs which passage of this bill would allow.

CT's Security Deposit Guarantee Program has been closed since last summer, The ARRA funded Homeless Prevention and Rapid Re-Housing Program has provided security/utility deposits to approximately 3,000 households in only its first year of operation. In many regions the three year allotment of these funds have already been exhausted. In others any remaining available funds may be exhausted within a matter of months. Our CT shelter system is full beyond capacity. Legislative action on this bill will exacerbate an already escalating crisis of families and individuals unable to move out of shelter even when they are employed and/or can identify a rental that they can afford. And in a shelter system already unable to keep up with demand, that means disastrous consequences for those families unable to move out, and those who need their beds as they seek shelter from the cold.

On behalf of those homeless families and individuals, and those who are today at high risk of becoming homeless, I request that the Insurance Committee take no action on H.B. 5031.