



Connecticut Fair Housing Center

Testimony of Jeffrey Gentes In Support of Senate Bill 457

My name is Jeff Gentes and I manage the fair lending and foreclosure prevention work at the Connecticut Fair Housing Center.¹ I want to thank Co-Chairs Osten and Miller, and the Committee for the opportunity to speak. We support Senate Bill 457, An Act Concerning Foreclosure of Tax Liens and believe it could achieve its purpose despite budget constraints if you expanded the already existing Emergency Mortgage Assistance Program (EMAP).

EMAP offers low-interest loans through the Connecticut Housing Finance Authority (CHFA), subject to rigorous underwriting. The General Assembly replenished EMAP's funds when the foreclosure crisis began, to the benefit of thousands of Connecticut homeowners.

Because of improvements you made to EMAP in 2012, homeowners facing foreclosure can obtain loans for to pay off tax liens so long as they also have a mortgage. But anyone who does not have a mortgage but nevertheless faces foreclosure because of taxes – typically low-income elderly and/or disabled homeowner, some of whom inherited their homes from parental caretakers – cannot receive an EMAP loan.

At the Center we frequently see physically disabled homeowners for whom foreclosure is especially difficult. They could lose a home specially outfitted for their needs, and often face the prospect of inadequate rental housing and a market that can be hostile towards the disabled. But we, and our partners at housing counseling agencies across the state, see dozens of people each year who need help but aren't eligible for EMAP under existing rules.

Foreclosure too often forces these homeowners to live in housing subsidized by state taxpayers. Foreclosures cost towns and the state money in other ways: municipalities face an average cost of \$19,000 per foreclosure in police, fire, and maintenance costs; local and state social services programs are often strained by needs created by foreclosures; and both the foreclosed property and neighboring properties lose value, causing grand list values to fall.

We applaud Senate Bill 457. We believe you could achieve its purpose with the modest changes attached to my testimony. The changes would allow more disabled and elderly homeowners to keep their homes, avoiding the hardships they would face in the rental market, and would save the costs towns and the state would incur if these constituents lost their homes.

Thank you again for this opportunity to testify in support of Senate Bill 457.

¹ The Connecticut Fair Housing Center is the only statewide nonprofit that represents homeowners facing foreclosure. We have reached constituents in at least 166 towns since 2010. We provided individualized advice, representation, and/or in-person education to more than 1,800 homeowners facing foreclosure in 2014 alone.