



**Testimony of Jeff Gentes  
In Support of House Bill 5282**

Senator Flexer, Representative Serra, and other members of the Committee: thank you for giving me the opportunity to speak today. My name is Jeff Gentes. I manage the fair lending and foreclosure prevention work at the Connecticut Fair Housing Center<sup>1</sup> and co-supervise the Mortgage Foreclosure Litigation Clinic at Yale Law School. I'm here in support of House Bill 5282, An Act Establishing a Revolving Loan Fund to Assist Elderly Homeowners.

We often see elderly homeowners who, due to temporary financial hardship and the limits of a fixed income, fall behind on their property and other municipal tax bills. They then face foreclosure from their towns or reverse mortgage companies. Foreclosure is especially difficult for these homeowners, especially if they are physically disabled. They could lose a home they've had for decades, or one that's specially outfitted for their needs. They often face the prospect of entering an inadequate and hostile rental market.

Foreclosure can force 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.

House Bill 5282 could do much to help avoid costly foreclosures. We know about the budget constraints the state is facing, of course, and understand that creating a separate fisc and administrative process for a new program is unlikely this year. We'd suggest instead using the state's successful Emergency Mortgage Assistance Program (EMAP). EMAP offers low-interest loans through the Connecticut Housing Finance Authority (CHFA). You 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 can obtain EMAP loans for to pay off tax liens so long as they also have a mortgage. But seniors with reverse mortgages and anyone who does not have a mortgage but nevertheless faces foreclosure because of taxes – typically low-income elderly homeowners – cannot obtain EMAP right now.

We are working with the Banking Committee to expand EMAP's eligibility to help more seniors. We would welcome the opportunity to work together with your Committee on that bill, too, and think passage could benefit not just older homeowners, but their towns and the state.

Thank you again for this opportunity to testify in support of House Bill 5282.

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<sup>1</sup> The Connecticut Fair Housing Center is the only statewide nonprofit that represents homeowners facing foreclosure. We have reached constituents in at least 167 towns since 2010. We provided individualized advice, representation, and/or in-person education to more than 1,500 homeowners facing foreclosure in 2015 alone.