TESTIMONY IN SUPPORT OF FUNDING FOR THE
CONNECTICUT FAIR HOUSING CENTER

Senator Osten, Representative Walker, Senator Formica, and members of the Committee,
thank you for the opportunity to address you regarding funding for the Connecticut Fair Housing
Center. My name is Loraine Martinez Bellamy. I do fair lending and foreclosure prevention
work at the Connecticut Fair Housing Center (hereinafter “the Center”). We would like to thank
the Governor for recommending funding for the Center in the 2020 biennium budget.

We are a private non-profit serving the entire state, and we are the only statewide
nonprofit that represents homeowners facing foreclosure.¹ Connecticut needs foreclosure
prevention attorneys. Currently, more than 17,000 homeowners are behind 90 days or more or in
foreclosure on their mortgage. Foreclosure filings have also increased 4% from this time last
year, making our serious delinquency rate the second highest in the nation.

The foreclosure crisis is not over in Connecticut. Homeowners continue to struggle from
the fallout of the recession and the boom in subprime lending. We see the effects of the crisis
every day, both in the hundreds of homeowners we see and advise every year, and in the
thousands more our partners like housing counseling and social service agencies see. We also
work closely with government officials and aides at all levels, both fielding homeowner requests
for assistance, and making sure you are frequently and thoroughly informed of what Connecticut
homeowners are facing. Beyond providing direct services, we are often called upon by our peers

¹ The only other nonprofit representing homeowners facing foreclosure is the Mortgage Foreclosure
Litigation Clinic at Yale Law School. The Clinic is co-supervised by Jeff Gentes, Managing Attorney of Foreclosure
Prevention at Fair Lending at the Connecticut Fair Housing Center; it receives most of its clients from Center
referrals.
in the legal community and by the Judicial Department to provide training on an array of rapidly changing loss mitigation programs and mortgage servicing rules.

Foreclosures hurt more than Connecticut’s homeowners. They cost towns and taxpayers. On average, municipalities spend $19,000 in police, fire, and maintenance costs per foreclosure. Neighbors’ property values usually drop thousands of dollars as a result of a foreclosure, and municipal and state social services are often strained when people lose their homes.

Many foreclosures can be prevented, but doing so means navigating a judicial process that is intimidating and confusing, negotiating with difficult mortgage servicers, keeping up with an ever-changing legal landscape, listening to people in the midst of a foreclosure crisis, and being on the ground. This is the work we do.

With help from your funding, in 2018 we provided advice, instruction, or representation to more than 500 homeowners. We did this through in-person advice at seven courthouse advice tables, through Attorney for Short Calendar, a Judicial Department program, through which we represent homeowners appearing pro se on foreclosure matters for the day. We also provide advice and education through our through our clinics in Hartford and Fairfield County and by representing more homeowners than ever before in court. We reached several thousand more by distributing our manual for homeowners facing foreclosure in both English and Spanish.

We also leverage our expertise by working with everyone else who helps homeowners facing foreclosure. In addition to training and working closely with legislative aides, the private foreclosure bar, CHFA-approved housing counselors, and the Department of Banking’s Mortgage Foreclosure Assistance Hotline, we collaborate with local groups like churches and community organizers, and with municipal social service directors on their foreclosure prevention efforts. Our work has been recognized nationally, and we have conducted trainings
for attorneys across the country and for foreclosure mediators here and in Maine, Vermont, and Maryland. We are regularly asked to share our frontline experience with regulators and policymakers in Washington, D.C., and we make sure Connecticut’s voice is heard.

Your continued funding and support of our work will help prevent many foreclosures over the next year. We ask that this Committee approve funding of $670,000 as recommended in the Governor’s 2020 biennium budget.

Thank you for your time and for your past support of the Connecticut Fair Housing Center, and please continue to support our foreclosure prevention efforts so that we can continue to help thousands of Connecticut homeowners. Please do not hesitate to contact me at (860) 263-0732 with any questions you may have.