



## State of Connecticut

### SENATE

**SENATOR ROBERT J. KANE**  
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Senator Osten, Representative Miller, Senator Linares, Representative Aman and members of the Planning and Development Committee. I am Senator Rob Kane, and I am testifying in support of **S.B. No. 461: AN ACT PROHIBITING THE ASSIGNMENT OF CERTAIN MUNICIPAL LIENS.**

I first want to thank you for holding a public hearing on this important bill today. I believe Senate Bill 461 addresses an issue faced by taxpayers who fall behind on their local taxes and ultimately have a lien placed on their home. As we all know, municipalities face the tough task of collecting municipal taxes each year and especially during economic downturns some taxpayers end up behind on their payments. Once a taxpayer falls behind for a certain amount of time a lien may be placed on their property until all back taxes are settled with the municipality. Cities and towns by state statute have the ability to assign their liens to a third party who pay a negotiated percentage of the money uncollected and in turn are given collection powers afforded to municipalities, including the ability to file foreclosure or suit on the debt.

Under this proposal, a municipality would not be allowed to assign a municipal lien unless the amount is in excess of \$2,500. The bill achieves a uniform minimum currently lacking in state statute which would make it clear at what point a municipal taxpayer's lien could be turned over for third party collection. This minimum would ensure towns are not assigning away liens which could be subject to foreclosure even though it is not a large amount of money outstanding. While it is unlikely foreclosure would be a remedy in third party collection efforts for a small amount, the bill before us today would make sure this does not happen to any taxpayer in Connecticut who may find themselves behind during financial hardship.

Senate Bill 461 is a way we can reasonably set a minimum amount for cities and towns assigning municipal tax liens. While I certainly recognize the value in municipalities assigning liens in certain circumstances, the bill before you today will establish a clear understanding so taxpayers know at what point their local tax collector may assign a lien placed on their home. I look forward to working with the leadership of the committee this session as the bill moves through the legislative process. I thank you for your consideration and would be happy to answer any questions the committee may have.

Thank you,

Rob Kane  
State Senator, 32<sup>nd</sup> District