



Testimony
Elizabeth Gara, Executive Director
Connecticut Water Works Association
Before the
Banking Committee
March 2, 2021

The Connecticut Water Works Association (CWWA), a trade association of municipal, regional and private water utilities, ***opposes*** SB-941 - **AN ACT CONCERNING THE ASSIGNMENT OF CERTAIN PROPERTY, TAX, WATER AND SEWER LIENS.**

This bill would hinder the collection of delinquent water bills by reducing the interest rate on delinquent bills to 6% once they are assigned to a third party.

Municipal water departments rely on revenues generated from effective debt collection practices to assist them in maintaining water systems to ensure residents and businesses can depend on safe, high quality public water supplies. If water bills remain unpaid, a town may lien a property for unpaid water/sewer bills and exercise its right to foreclose the lien in order to collect the debts.

Municipal water departments provide delinquent customers with appropriate notice and due process rights. In addition, water departments proactively work with customers to develop payment plans.

However, the collection of overdue bills can be a big concern. The existing interest rate and the ability to lien properties are effective tools in facilitating the collection of overdue bills. Some towns assign liens rather than pursue foreclosure. Lien assignees may offer longer payment arrangements to assist customers in paying off their debts.

SB-941 would undermine the ability of towns to appropriately collect unpaid water bills. This would shift an unfair cost burden to customers who pay their bills on time.

CWWA urges lawmakers to oppose SB-941.

The Connecticut Water Works Association, Inc. (CWWA) is an association of municipal, private and regional water utilities serving more than 500,000 customers, or population of about 2½ million people, located throughout Connecticut.