



General Assembly

**Substitute Bill No. 941**

January Session, 2021



**AN ACT CONCERNING THE ASSIGNMENT OF CERTAIN PROPERTY,  
TAX, WATER AND SEWER LIENS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 12-195h of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective October 1, 2021*):

3 (a) Any municipality, by resolution of its legislative body, as defined  
4 in section 1-1, may assign, for consideration, any and all liens filed by  
5 the tax collector to secure unpaid taxes on real property as provided  
6 under the provisions of this chapter. The consideration received by the  
7 municipality shall be negotiated between the municipality and the  
8 assignee.

9 (b) The assignee or assignees of such liens shall have and possess the  
10 same powers and rights at law or in equity [as such] that such  
11 municipality and municipality's tax collector would have had if the lien  
12 had not been assigned with regard to the precedence and priority of  
13 such lien, the accrual of interest and the fees and expenses of collection  
14 and of preparing and recording the assignment, except that any such  
15 assignee (1) shall not be insulated from liability for its conduct by virtue  
16 of the provisions of section 42-110c, and (2) shall be obligated to provide  
17 a payoff statement, as defined in section 49-8a, in the same manner as a  
18 mortgagee in accordance with the requirements of section 49-10a. The

19 assignee shall have the same rights to enforce such liens as any private  
20 party holding a lien on real property including, but not limited to,  
21 foreclosure and a suit on the debt.

22 (c) No such assignment executed on or after July 1, 2022, shall be valid  
23 or enforceable unless memorialized in a contract executed by the  
24 municipality and the assignee that is in writing and provides: (1) The  
25 manner in which the assignee will provide to the owner of the real  
26 property that is the subject of the assignment one or more addresses and  
27 telephone numbers that may be used for correspondence with the  
28 assignee about the debt and payment thereof; (2) the earliest and latest  
29 dates by which the assignee shall commence any foreclosure or suit on  
30 the debt or the manner for determining such dates, except as may be  
31 impacted by any payment arrangement, bankruptcy petition or other  
32 circumstance, provided in no event shall the assignee commence a  
33 foreclosure suit before one year has elapsed since the assignee's  
34 purchase of the lien; (3) the structure and rates of attorney's fees that the  
35 assignee may claim against the owner or owners of such real property  
36 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
37 using as foreclosure counsel any attorney or law office that is owned by,  
38 employs or contracts with any person having an interest in such  
39 assignee; (4) confirmation that the owner of the real property for which  
40 the lien has been filed shall be a third-party beneficiary entitled to  
41 enforce the covenants and responsibilities of the assignee as contained  
42 in the contract; (5) a prohibition on the assignee assigning the lien  
43 without the municipality's prior written consent; (6) the detail and  
44 frequency of reports provided to the municipality's tax collector  
45 regarding the status of the assigned liens; (7) confirmation that the  
46 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
47 lien because of occupational safety and health law violations; (8)  
48 disclosure of (A) all resolved and pending arbitrations and litigation  
49 matters in which the assignee or any of its principals have been involved  
50 within the last ten years, except foreclosure actions involving liens  
51 purchased from or assigned by governmental entities, (B) all criminal  
52 proceedings that the assignee or any of its principals has ever been the

53 subject, (C) any interest in the subject property held by the assignee or  
54 any of its principals, officers or agents, and (D) each instance in which  
55 the assignee or any of its principals was found to have violated any state  
56 or local ethics law, regulation, ordinance, code, policy or standard, or to  
57 have committed any other offense arising out of the submission of  
58 proposals or bids or the performance of work on public contract; and (9)  
59 such additional terms to which the municipality and the assignee  
60 mutually agree, consistent with applicable law.

61 (d) The assignee, or any subsequent assignee, shall provide written  
62 notice of an assignment, not later than [thirty] sixty days after the date  
63 of such assignment, to the owner and any holder of a mortgage, on the  
64 real property that is the subject of the assignment, provided such owner  
65 or holder is of record as of the date of such assignment. Such notice shall  
66 include information sufficient to identify (1) the property that is subject  
67 to the lien and in which the holder has an interest, (2) the name and  
68 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
69 and fees being assigned relative to the subject property as of the date of  
70 the assignment.

71 (e) Not less than sixty days prior to commencing an action to foreclose  
72 a lien under this section, the assignee shall provide a written notice, by  
73 first-class mail, to the holders of all first or second security interests on  
74 the property subject to the lien that were recorded before the date the  
75 assessment the lien sought to be enforced became delinquent. Such  
76 notice shall set forth: (1) The amount of unpaid debt owed to the  
77 assignee as of the date of the notice; (2) the amount of any attorney's fees  
78 and costs incurred by the assignee in the enforcement of the lien as of  
79 the date of the notice; (3) a statement of the assignee's intention to  
80 foreclose the lien if the amounts set forth pursuant to subdivisions (1)  
81 and (2) of this subsection are not paid to the assignee on or before sixty  
82 days after the date the notice is provided; (4) the assignee's contact  
83 information, including, but not limited to, the assignee's name, mailing  
84 address, telephone number and electronic mail address, if any; and (5)  
85 instructions concerning the acceptable means of making a payment on

86 the amounts owed to the assignee as set forth pursuant to subdivisions  
87 (1) and (2) of this subsection. Any notice required under this subsection  
88 shall be effective upon the date such notice is provided.

89 (f) When providing the written notice required under subsection (e)  
90 of this section, the assignee may rely on the last recorded security  
91 interest of record in identifying the name and mailing address of the  
92 holder of such interest, unless the holder of such interest is the plaintiff  
93 in an action pending in Superior Court to enforce such interest, in which  
94 the case the assignee shall provide the written notice to the attorney  
95 appearing on behalf of the plaintiff.

96 (g) Each aspect of a foreclosure, sale or other disposition under this  
97 section, including, but not limited to, the costs, attorney fees, method,  
98 advertising, time, date, place and terms, shall be commercially  
99 reasonable.

100 Sec. 2. Section 7-254 of the general statutes is repealed and the  
101 following is substituted in lieu thereof (*Effective October 1, 2021*):

102 (a) Any assessment of benefits or any installment thereof, not paid  
103 within thirty days after the due date, shall be delinquent and shall be  
104 subject to interest from such due date at the interest rate and in the  
105 manner provided by the general statutes for delinquent property taxes.  
106 Each addition of interest shall be collectible as a part of such assessment.

107 (b) Whenever any installment of an assessment becomes delinquent,  
108 the interest on such delinquent installment shall be as provided in  
109 subsection (a) of this section or five dollars, whichever is greater. Any  
110 unpaid assessment and any interest due thereon shall constitute a lien  
111 upon the real estate against which the assessment was levied from the  
112 date of such levy. Each such lien may be continued, recorded and  
113 released in the manner provided by the general statutes for continuing,  
114 recording and releasing property tax liens. Each such lien shall take  
115 precedence over all other liens and encumbrances except taxes and may  
116 be enforced in the same manner as property tax liens. The tax collector

117 of the municipality may collect such assessments in accordance with any  
118 mandatory provision of the general statutes for the collection of  
119 property taxes and the municipality may recover any such assessment  
120 in a civil action against any person liable therefor.

121 (c) Any municipality, by resolution of its legislative body, may assign,  
122 for consideration, any and all liens filed by the tax collector to secure  
123 unpaid sewer assessments as provided under the provisions of this  
124 chapter. The consideration received by the municipality shall be  
125 negotiated between the municipality and the assignee.

126 (d) The assignee or assignees of such liens shall have and possess the  
127 same powers and rights at law or in equity as such municipality and  
128 municipality's tax collector would have had if the lien had not been  
129 assigned with regard to the precedence and priority of such lien, the  
130 accrual of interest and the fees and expenses of collection, except that  
131 any such assignee (1) shall not be insulated from liability by virtue of  
132 the provisions of section 42-110c, and (2) shall be obligated to provide a  
133 payoff statement, as defined in section 49-8a, in the same manner as a  
134 mortgagee in accordance with the requirements of section 49-10a. The  
135 assignee shall have the same rights to enforce such liens as any private  
136 party holding a lien on real property, including, but not limited to,  
137 foreclosure and a suit on the debt. [Costs and reasonable attorneys' fees  
138 incurred by the assignee as a result of any foreclosure action or other  
139 legal proceeding brought pursuant to this section and directly related to  
140 the proceeding shall be taxed in any such proceeding against each  
141 person having title to any property subject to the proceedings. Such  
142 costs and fees may be collected by the assignee at any time after demand  
143 for payment has been made by the assignee.]

144 (e) No such assignment executed on or after July 1, 2022, shall be valid  
145 or enforceable unless memorialized in a contract executed by the  
146 authority and the assignee that is in writing and provides: (1) The  
147 manner in which the assignee will provide to the owner of the real  
148 property that is the subject of the assignment one or more addresses and  
149 telephone numbers that may be used for correspondence with the

150 assignee about the debt and payment thereof; (2) the earliest and latest  
151 dates by which the assignee shall commence any foreclosure or suit on  
152 the debt or the manner for determining such dates, except as may be  
153 impacted by any payment arrangement, bankruptcy petition or other  
154 circumstance, provided in no event shall the assignee commence a  
155 foreclosure suit before one year has elapsed since the assignee's  
156 purchase of the lien; (3) the structure and rates of attorney's fees that the  
157 assignee may claim against the owner or owners of such real property  
158 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
159 using as foreclosure counsel any attorney or law office that is owned by,  
160 employs or contracts with any person having an interest in such  
161 assignee; (4) confirmation that the owner of the real property for which  
162 the lien has been filed shall be a third-party beneficiary entitled to  
163 enforce the covenants and responsibilities of the assignee as contained  
164 in the contract; (5) a prohibition on the assignee assigning the lien  
165 without the municipality's prior written consent; (6) the detail and  
166 frequency of reports provided to the municipality's tax collector  
167 regarding the status of the assigned liens; (7) confirmation that the  
168 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
169 lien because of occupational safety and health law violations; (8)  
170 disclosure of (A) all resolved and pending arbitrations and litigation  
171 matters in which the assignee or any of its principals have been involved  
172 within the last ten years, except foreclosure actions involving liens  
173 purchased from or assigned by governmental entities, (B) all criminal  
174 proceedings that the assignee or any of its principals has ever been the  
175 subject, (C) any interest in the subject property held by the assignee or  
176 any of its principals, officers or agents, and (D) each instance in which  
177 the assignee or any of its principals was found to have violated any state  
178 or local ethics law, regulation, ordinance, code, policy or standard, or to  
179 have committed any other offense arising out of the submission of  
180 proposals or bids or the performance of work on public contract; and (9)  
181 such additional terms to which the municipality and the assignee  
182 mutually agree, consistent with applicable law.

183 (f) The assignee, or any subsequent assignee, shall provide written

184 notice of an assignment, not later than sixty days after the date of such  
185 assignment, to the owner and any holder of a mortgage on the real  
186 property that is the subject of the assignment, provided such owner or  
187 holder is of record as of the date of such assignment. Such notice shall  
188 include information sufficient to identify (1) the property that is subject  
189 to the lien and in which the holder has an interest, (2) the name and  
190 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
191 and fees being assigned relative to the subject property as of the date of  
192 the assignment.

193 (g) Not less than sixty days prior to commencing an action to  
194 foreclose a lien under this section, the assignee shall provide a written  
195 notice, by first-class mail, to the holders of all first or second security  
196 interests on the property subject to the lien that were recorded before  
197 the date the assessment of the lien sought to be enforced became  
198 delinquent. Such notice shall set forth: (1) The amount of unpaid debt  
199 owed to the assignee as of the date of the notice; (2) the amount of any  
200 attorney's fees and costs incurred by the assignee in the enforcement of  
201 the lien as of the date of the notice; (3) a statement of the assignee's  
202 intention to foreclose the lien if the amounts set forth pursuant to  
203 subdivisions (1) and (2) of this subsection are not paid to the assignee  
204 on or before sixty days after the date on which the notice is provided;  
205 (4) the assignee's contact information, including, but not limited to, the  
206 assignee's name, mailing address, telephone number and electronic mail  
207 address, if any; and (5) instructions concerning the acceptable means of  
208 making a payment on the amounts owed to the assignee as set forth  
209 pursuant to subdivisions (1) and (2) of this subsection. Any notice  
210 required under this subsection shall be effective upon the date such  
211 notice is provided.

212 (h) When providing the written notice required under subsection (g)  
213 of this section, the assignee may rely on the last recorded security  
214 interest of record in identifying the name and mailing address of the  
215 holder of such interest, unless the holder of such interest is the plaintiff  
216 in an action pending in Superior Court to enforce such interest, in which

217 case the assignee shall provide the written notice to the attorney  
218 appearing on behalf of the plaintiff.

219 (i) Each aspect of a foreclosure, sale or other disposition under this  
220 section, including, but not limited to, the costs, attorney fees, method,  
221 advertising, time, date, place and terms, shall be commercially  
222 reasonable.

223 Sec. 3. Section 7-258 of the general statutes is repealed and the  
224 following is substituted in lieu thereof (*Effective October 1, 2021*):

225 (a) Any charge for connection with or for the use of a sewerage  
226 system, not paid within thirty days of the due date, shall thereupon be  
227 delinquent and shall bear interest from the due date at the rate and in  
228 the manner provided by the general statutes for delinquent property  
229 taxes. Each addition of interest shall be collectible as a part of such  
230 connection or use charge. Any such unpaid connection or use charge  
231 shall constitute a lien upon the real estate against which such charge was  
232 levied from the date it became delinquent. Each such lien may be  
233 continued, recorded and released in the manner provided by the general  
234 statutes for continuing, recording and releasing property tax liens. Each  
235 such lien shall take precedence over all other liens and encumbrances  
236 except taxes and may be foreclosed in the same manner as a lien for  
237 property taxes. The municipality may by ordinance designate the tax  
238 collector or any other person as collector of sewerage system connection  
239 and use charges and such collector of sewerage system connection and  
240 use charges may collect such charges in accordance with the provisions  
241 of the general statutes for the collection of property taxes. The  
242 municipality may recover any such charges in a civil action against any  
243 person liable therefor. For the purpose of establishing or revising such  
244 connection or use charges and for the purpose of collecting such charges  
245 any municipality may enter into agreements with any water company  
246 or municipal water department furnishing water in such municipality  
247 for the purchase from such water company or municipal water  
248 department of information or services and such agreement may  
249 designate such water company or municipal water department as a



250 billing or collecting agent of the collector of sewerage system connection  
251 and use charges in the municipality. Any water company or municipal  
252 water department may enter into and fulfill any such agreements and  
253 may utilize for the collection of such charges any of the methods utilized  
254 by it for the collection of its water charges.

255 (b) Any municipality, by resolution of its legislative body, may  
256 assign, for consideration, any and all liens filed by the tax collector or  
257 collector of sewerage system connection and use charges to secure  
258 unpaid sewerage connection and use charges as provided under the  
259 provisions of this chapter. The consideration received by the  
260 municipality shall be negotiated between the municipality and the  
261 assignee.

262 (c) The assignee or assignees of such liens shall have and possess the  
263 same powers and rights at law or in equity as such municipality and  
264 municipality's tax collector would have had if the lien had not been  
265 assigned with regard to the precedence and priority of such lien, the  
266 accrual of interest and the fees and expenses of collection, except that  
267 any such assignee (1) shall not be insulated from liability for its conduct  
268 by virtue of the provisions of section 42-110c, and (2) shall be obligated  
269 to provide a payoff statement, as defined in section 49-8a, in the same  
270 manner as a mortgagee in accordance with the requirements of section  
271 49-10a. The assignee shall have the same rights to enforce such liens as  
272 any private party holding a lien on real property, including, but not  
273 limited to, foreclosure and a suit on the debt. [Costs and reasonable  
274 attorneys' fees incurred by the assignee as a result of any foreclosure  
275 action or other legal proceeding brought pursuant to this section and  
276 directly related to the proceeding shall be taxed in any such proceeding  
277 against each person having title to any property subject to the  
278 proceedings. Such costs and fees may be collected by the assignee at any  
279 time after demand for payment has been made by the assignee.]

280 (d) No such assignment executed on or after July 1, 2022, shall be  
281 valid or enforceable unless memorialized in a contract executed by the  
282 authority and the assignee that is in writing and provides: (1) The

283 manner in which the assignee will provide to the owner of the real  
284 property that is the subject of the assignment one or more addresses and  
285 telephone numbers that may be used for correspondence with the  
286 assignee about the debt and payment thereof; (2) the earliest and latest  
287 dates by which the assignee shall commence any foreclosure or suit on  
288 the debt or the manner for determining such dates, except as may be  
289 impacted by any payment arrangement, bankruptcy petition or other  
290 circumstance, provided in no event shall the assignee commence a  
291 foreclosure suit before one year has elapsed since the assignee's  
292 purchase of the lien; (3) the structure and rates of attorney's fees that the  
293 assignee may claim against the owner or owners of such real property  
294 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
295 using as foreclosure counsel any attorney or law office that is owned by,  
296 employs or contracts with any person having an interest in such  
297 assignee; (4) confirmation that the owner of the real property for which  
298 the lien has been filed shall be a third-party beneficiary entitled to  
299 enforce the covenants and responsibilities of the assignee as contained  
300 in the contract; (5) a prohibition on the assignee assigning the lien  
301 without the municipality's prior written consent; (6) the detail and  
302 frequency of reports provided to the municipality's tax collector  
303 regarding the status of the assigned liens; (7) confirmation that the  
304 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
305 lien because of occupational safety and health law violations; (8)  
306 disclosure of (A) all resolved and pending arbitrations and litigation  
307 matters in which the assignee or any of its principals have been involved  
308 within the last ten years, except foreclosure actions involving liens  
309 purchased from or assigned by governmental entities, (B) all criminal  
310 proceedings that the assignee or any of its principals has ever been the  
311 subject, (C) any interest in the subject property held by the assignee or  
312 any of its principals, officers or agents, and (D) each instance in which  
313 the assignee or any of its principals was found to have violated any state  
314 or local ethics law, regulation, ordinance, code, policy or standard, or to  
315 have committed any other offense arising out of the submission of  
316 proposals or bids or the performance of work on public contract; and (9)  
317 such additional terms to which the municipality and the assignee

318 mutually agree consistent with applicable law.

319 (e) The assignee, or any subsequent assignee, shall provide written  
320 notice of an assignment, not later than sixty days after the date of such  
321 assignment, to the owner and any holder of a mortgage on the real  
322 property that is the subject of the assignment, provided such owner or  
323 holder is of record as of the date of such assignment. Such notice shall  
324 include information sufficient to identify (1) the property that is subject  
325 to the lien and in which the holder has an interest, (2) the name and  
326 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
327 and fees being assigned relative to the subject property as of the date of  
328 the assignment.

329 (f) Not less than sixty days prior to commencing an action to foreclose  
330 a lien under this section, the assignee shall provide a written notice, by  
331 first-class mail, to the holders of all first or second security interests on  
332 the property subject to the lien that were recorded before the date the  
333 assessment of the lien sought to be enforced became delinquent. Such  
334 notice shall set forth: (1) The amount of unpaid debt owed to the  
335 assignee as of the date of the notice; (2) the amount of any attorney's fees  
336 and costs incurred by the assignee in the enforcement of the lien as of  
337 the date of the notice; (3) a statement of the assignee's intention to  
338 foreclose the lien if the amounts set forth pursuant to subdivisions (1)  
339 and (2) of this subsection are not paid to the assignee on or before sixty  
340 days after the date the notice is provided; (4) the assignee's contact  
341 information, including, but not limited to, the assignee's name, mailing  
342 address, telephone number and electronic mail address, if any; and (5)  
343 instructions concerning the acceptable means of making a payment on  
344 the amounts owed to the assignee as set forth pursuant to subdivisions  
345 (1) and (2) of this subsection. Any notice required under this subsection  
346 shall be effective upon the date such notice is provided.

347 (g) When providing the written notice required under subsection (f)  
348 of this section, the assignee may rely on the last recorded security  
349 interest of record in identifying the name and mailing address of the  
350 holder of such interest, unless the holder of such interest is the plaintiff

351 in an action pending in Superior Court to enforce such interest, in which  
352 case the assignee shall provide the written notice to the attorney  
353 appearing on behalf of the plaintiff.

354 (h) Each aspect of a foreclosure, sale or other disposition under this  
355 section, including, but not limited to, the costs, attorney fees, method,  
356 advertising, time, date, place and terms, shall be commercially  
357 reasonable.

358 Sec. 4. Section 7-239 of the general statutes is repealed and the  
359 following is substituted in lieu thereof (*Effective October 1, 2021*):

360 (a) The legislative body shall establish just and equitable rates or  
361 charges for the use of the waterworks system authorized in this  
362 subsection, to be paid by the owner of each lot or building which is  
363 connected with and uses such system, and may change such rates or  
364 charges from time to time. Such rates or charges shall be sufficient in  
365 each year for the payment of the expense of operation, repair,  
366 replacements and maintenance of such system and for the payment of  
367 the sums in this subsection required to be paid into the sinking fund. In  
368 establishing such rates or charges, the legislative body shall consider  
369 measures that promote water conservation and reduce the demand on  
370 the state's water and energy resources. Such rates or charges may  
371 include: (1) Demand projections that recognize the effects of  
372 conservation, (2) implementation of metering and measures to provide  
373 timely price signals to consumers, (3) multiyear rate plans, (4) measures  
374 to reduce system water losses, and (5) alternative rate designs that  
375 promote conservation. No such rate or charge shall be established until  
376 after a public hearing at which all the users of the waterworks system  
377 and the owners of property served or to be served and others interested  
378 shall have an opportunity to be heard concerning such proposed rate or  
379 charge. Notice of such hearing shall be given, at least ten days before the  
380 date set therefor, in a newspaper having a circulation in such  
381 municipality. Such notice shall set forth a schedule of rates or charges,  
382 and a copy of the schedule of rates or charges established shall be kept  
383 on file in the office of the legislative body and in the office of the clerk

384 of the municipality, and shall be open to inspection by the public. The  
385 rates or charges so established for any class of users or property served  
386 shall be extended to cover any additional premises thereafter served  
387 which are within the same class, without the necessity of a hearing  
388 thereon. Any change in such rates or charges may be made in the same  
389 manner in which they were established, provided, if any change is made  
390 substantially pro rata as to all classes of service, no hearing shall be  
391 required. The provisions of this section shall not apply to the sale of  
392 bottled water.

393 (b) If any rates or charges established pursuant to this section are not  
394 paid within thirty days after the due date, demand for such rates or  
395 charges may be made on the owner of the premises served in the manner  
396 provided in subsection (a) of section 12-155, and thereafter an alias tax  
397 warrant may be issued in the manner provided in sections 12-135 and  
398 12-162. The rates or charges established pursuant to this section, if not  
399 paid when due, shall constitute a lien upon the premises served and a  
400 charge against the owner thereof, which lien and charge shall bear  
401 interest at the same rate as would unpaid taxes. Such a lien not released  
402 of record prior to October 1, 1993, shall not continue for more than two  
403 years unless the superintendent of the waterworks system has filed a  
404 certificate of continuation of the lien in the manner provided under  
405 section 12-174 for the continuance of tax liens, and when so continued  
406 shall be valid for fifteen years. A lien described in this section shall take  
407 precedence over all other liens or encumbrances except taxes and may  
408 be foreclosed against the lot or building served in the same manner as a  
409 lien for taxes.

410 (c) Any municipality, by resolution of its legislative body, may assign,  
411 for consideration, any and all liens filed by the superintendent of the  
412 waterworks system or tax collector to secure unpaid water charges as  
413 provided under the provisions of this chapter. The consideration  
414 received by the municipality shall be negotiated between the  
415 municipality and the assignee.

416 (d) The assignee or assignees of such liens shall have and possess the

417 same powers and rights at law or in equity as such municipality and  
418 municipality's tax collector would have had if the lien had not been  
419 assigned with regard to the precedence and priority of such lien, the  
420 accrual of interest and the fees and expenses of collection, except that  
421 any such assignee (1) shall not be insulated from liability for its conduct  
422 by virtue of the provisions of section 42-110c, and (2) any such assignee  
423 shall be obligated to provide a payoff statement, as defined in section  
424 49-8a, in the same manner as a mortgagee in accordance with the  
425 requirements of section 49-10a. The assignee shall have the same rights  
426 to enforce such liens as any private party holding a lien on real property,  
427 including, but not limited to, foreclosure and a suit on the debt.

428 (e) No such assignment executed on or after July 1, 2022, shall be valid  
429 or enforceable unless memorialized in a contract executed by the  
430 authority and the assignee that is in writing and provides: (1) The  
431 manner in which the assignee will provide to the owner of the real  
432 property that is the subject of the assignment one or more addresses and  
433 telephone numbers that may be used for correspondence with the  
434 assignee about the debt and payment thereof; (2) the earliest and latest  
435 dates by which the assignee shall commence any foreclosure or suit on  
436 the debt or the manner for determining such dates, except as may be  
437 impacted by any payment arrangement, bankruptcy petition or other  
438 circumstance, provided in no event shall the assignee commence a  
439 foreclosure suit before one year has elapsed since the assignee's  
440 purchase of the lien; (3) the structure and rates of attorney's fees that the  
441 assignee may claim against the owner or owners of such real property  
442 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
443 using as foreclosure counsel any attorney or law office that is owned by,  
444 employs or contracts with any person having an interest in such  
445 assignee; (4) confirmation that the owner of the real property for which  
446 the lien has been filed shall be a third-party beneficiary entitled to  
447 enforce the covenants and responsibilities of the assignee as contained  
448 in the contract; (5) a prohibition on the assignee assigning the lien  
449 without the municipality's prior written consent; (6) the detail and  
450 frequency of reports provided to the municipality's tax collector

451 regarding the status of the assigned liens; (7) confirmation that the  
452 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
453 lien because of occupational safety and health law violations; (8)  
454 disclosure of (A) all resolved and pending arbitrations and litigation  
455 matters in which the assignee or any of its principals have been involved  
456 within the last ten years, except foreclosure actions involving liens  
457 purchased from or assigned by governmental entities, (B) all criminal  
458 proceedings that the assignee or any of its principals has ever been the  
459 subject, (C) any interest in the subject property held by the assignee or  
460 any of its principals, officers or agents, and (D) each instance in which  
461 the assignee or any of its principals was found to have violated any state  
462 or local ethics law, regulation, ordinance, code, policy or standard, or to  
463 have committed any other offense arising out of the submission of  
464 proposals or bids or the performance of work on public contract; and (9)  
465 such additional terms to which the municipality and the assignee  
466 mutually agree consistent with applicable law.

467 (f) The assignee, or any subsequent assignee, shall provide written  
468 notice of an assignment, not later than sixty days after the date of such  
469 assignment, to the owner and any holder of a mortgage on the real  
470 property that is the subject of the assignment, provided such owner or  
471 holder is of record as of the date of such assignment. Such notice shall  
472 include information sufficient to identify (1) the property that is subject  
473 to the lien and in which the holder has an interest, (2) the name and  
474 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
475 and fees being assigned relative to the subject property as of the date of  
476 the assignment.

477 (g) Not less than sixty days prior to commencing an action to  
478 foreclose a lien under this section, the assignee shall provide a written  
479 notice, by first-class mail, to the holders of all first or second security  
480 interests on the property subject to the lien that were recorded before  
481 the date the assessment of the lien sought to be enforced became  
482 delinquent. Such notice shall set forth: (1) The amount of unpaid debt  
483 owed to the assignee as of the date of the notice; (2) the amount of any

484 attorney's fees and costs incurred by the assignee in the enforcement of  
485 the lien as of the date of the notice; (3) a statement of the assignee's  
486 intention to foreclose the lien if the amounts set forth pursuant to  
487 subdivisions (1) and (2) of this subsection are not paid to the assignee  
488 on or before sixty days after the date the notice is provided; (4) the  
489 assignee's contact information, including, but not limited to, the  
490 assignee's name, mailing address, telephone number and electronic mail  
491 address, if any; and (5) instructions concerning the acceptable means of  
492 making a payment on the amounts owed to the assignee as set forth  
493 pursuant to subdivisions (1) and (2) of this subsection. Any notice  
494 required under this subsection shall be effective upon the date such  
495 notice is provided.

496 (h) When providing the written notice required under subsection (g)  
497 of this section, the assignee may rely on the last recorded security  
498 interest of record in identifying the name and mailing address of the  
499 holder of such interest, unless the holder of such interest is the plaintiff  
500 in an action pending in Superior Court to enforce such interest, in which  
501 case the assignee shall provide the written notice to the attorney  
502 appearing on behalf of the plaintiff.

503 (i) Each aspect of a foreclosure, sale or other disposition under this  
504 section, including, but not limited to, the costs, attorney fees, method,  
505 advertising, time, date, place and terms, shall be commercially  
506 reasonable. Costs and reasonable attorneys' fees incurred by the  
507 assignee as a result of any foreclosure action or other legal proceeding  
508 brought pursuant to this section and directly related to the proceeding  
509 shall be taxed in any such proceeding against each person having title  
510 to any property subject to the proceedings. Such costs and fees may be  
511 collected by the assignee at any time after demand for payment has been  
512 made by the assignee.

513 [(d)] (j) The amount of any such rate or charge which remains due  
514 and unpaid for thirty days may, with reasonable attorneys' fees, be  
515 recovered by the legislative body in a civil action in the name of the  
516 municipality against such owners. The municipality shall be subject to



517 the same rates or charges under the same conditions as other users of  
518 such waterworks system.

519 Sec. 5. Section 49-92p of the general statutes is repealed and the  
520 following is substituted in lieu thereof (*Effective October 1, 2021*):

521 (a) Any regional water authority established under an act of the  
522 General Assembly, may assign, for consideration, any and all liens filed  
523 by such regional water authority to secure unpaid water assessments or  
524 connection or use charges of the authority. The consideration received  
525 by the authority shall be negotiated between the authority and the  
526 assignee.

527 (b) The assignee or assignees of such liens shall have and possess the  
528 same powers and rights at law or in equity as such authority would have  
529 had if the lien had not been assigned with regard to the precedence and  
530 priority of such lien, the accrual of interest and the fees and expenses of  
531 collection, except that such assignee (1) shall not be insulated from  
532 liability for its conduct by virtue of the provisions of section 42-110c, and  
533 (2) shall be obligated to provide a payoff statement, as defined in section  
534 49-8a, in the same manner as a mortgagee in accordance with the  
535 requirements of section 49-10a. The assignee shall have the same rights  
536 to enforce such liens as any private party holding a lien on real property,  
537 including, but not limited to, foreclosure and a suit on the debt.

538 (c) No such assignment executed on or after July 1, 2022, shall be valid  
539 or enforceable unless memorialized in a contract executed by the  
540 authority and the assignee that is in writing and provides: (1) The  
541 manner in which the assignee will provide to the owner of the real  
542 property that is the subject of the assignment one or more addresses and  
543 telephone numbers that may be used for correspondence with the  
544 assignee about the debt and payment thereof; (2) the earliest and latest  
545 dates by which the assignee shall commence any foreclosure or suit on  
546 the debt or the manner for determining such dates, except as may be  
547 impacted by any payment arrangement, bankruptcy petition or other  
548 circumstance, provided in no event shall the assignee commence a

549 foreclosure suit before one year has elapsed since the assignee's  
550 purchase of the lien; (3) the structure and rates of attorney's fees that the  
551 assignee may claim against the owner or owners of such real property  
552 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
553 using as foreclosure counsel any attorney or law office that is owned by,  
554 employs or contracts having any person with an interest in such  
555 assignee; (4) confirmation that the owner of the real property for which  
556 the lien has been filed shall be a third-party beneficiary entitled to  
557 enforce the covenants and responsibilities of the assignee as contained  
558 in the contract; (5) a prohibition on the assignee assigning the lien  
559 without the municipality's prior written consent; (6) the detail and  
560 frequency of reports provided to the municipality's tax collector  
561 regarding the status of the assigned liens; (7) confirmation that the  
562 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
563 lien because of occupational safety and health law violations; (8)  
564 disclosure of (A) all resolved and pending arbitrations and litigation  
565 matters in which the assignee or any of its principals have been involved  
566 within the last ten years, except foreclosure actions involving liens  
567 purchased from or assigned by governmental entities, (B) all criminal  
568 proceedings that the assignee or any of its principals has ever been the  
569 subject, (C) any interest in the subject property held by the assignee or  
570 any of its principals, officers or agents, and (D) each instance in which  
571 the assignee or any of its principals was found to have violated any state  
572 or local ethics law, regulation, ordinance, code, policy or standard, or to  
573 have committed any other offense arising out of the submission of  
574 proposals or bids or the performance of work on public contract; and (9)  
575 such additional terms to which the municipality and the assignee  
576 mutually agree consistent with applicable law.

577 (d) The assignee, or any subsequent assignee, shall provide written  
578 notice of an assignment, not later than sixty days after the date of such  
579 assignment, to the owner and any holder of a mortgage on the real  
580 property that is the subject of the assignment, provided such owner or  
581 holder is of record as of the date of such assignment. Such notice shall  
582 include information sufficient to identify (1) the property that is subject

583 to the lien and in which the holder has an interest, (2) the name and  
584 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
585 and fees being assigned relative to the subject property as of the date of  
586 the assignment.

587 (e) Not less than sixty days prior to commencing an action to foreclose  
588 a lien under this section, the assignee shall provide a written notice, by  
589 first-class mail to the holders of all first or second security interests on  
590 the property subject to the lien that were recorded before the date the  
591 assessment of the lien sought to be enforced became delinquent. Such  
592 notice shall set forth: (1) The amount of unpaid debt owed to the  
593 assignee as of the date of the notice; (2) the amount of any attorney's fees  
594 and costs incurred by the assignee in the enforcement of the lien as of  
595 the date of the notice; (3) a statement of the assignee's intention to  
596 foreclose the lien if the amounts set forth pursuant to subdivisions (1)  
597 and (2) of this subsection are not paid to the assignee on or before sixty  
598 days after the date the notice is provided; (4) the assignee's contact  
599 information, including, but not limited to, the assignee's name, mailing  
600 address, telephone number and electronic mail address, if any; and (5)  
601 instructions concerning the acceptable means of making a payment on  
602 the amounts owed to the assignee as set forth pursuant to subdivisions  
603 (1) and (2) of this subsection. Any notice required under this subsection  
604 shall be effective upon the date such notice is provided.

605 (f) When providing the written notice required under subsection (e)  
606 of this section, the assignee may rely on the last recorded security  
607 interest of record in identifying the name and mailing address of the  
608 holder of such interest, unless the holder of such interest is the plaintiff  
609 in an action pending in Superior Court to enforce such interest, in which  
610 case the assignee shall provide the written notice to the attorney  
611 appearing on behalf of the plaintiff.

612 (g) Each aspect of a foreclosure, sale or other disposition under this  
613 section, including, but not limited to, the costs, attorney fees, method,  
614 advertising, time, date, place and terms, shall be commercially  
615 reasonable. Costs and reasonable attorneys' fees incurred by the

616 assignee as a result of any foreclosure action or other legal proceeding  
617 brought pursuant to this section and directly related to the proceeding  
618 shall be taxed in any such proceeding against each person having title  
619 to any property subject to the proceedings. Such costs and fees may be  
620 collected by the assignee at any time after demand for payment has been  
621 made by the assignee.

622 Sec. 6. Section 49-92o of the general statutes is repealed and the  
623 following is substituted in lieu thereof (*Effective October 1, 2021*):

624 (a) Any regional sewer authority established under an act of the  
625 General Assembly, may assign, for consideration, any and all liens filed  
626 by such regional sewer authority to secure unpaid sewer assessments or  
627 connection or use charges of the authority. The consideration received  
628 by the authority shall be negotiated between the authority and the  
629 assignee.

630 (b) The assignee or assignees of such liens shall have and possess the  
631 same powers and rights at law or in equity as such authority would have  
632 had if the lien had not been assigned with regard to the precedence and  
633 priority of such lien, the accrual of interest and the fees and expenses of  
634 collection, except that any such assignee (1) shall not be insulated from  
635 liability by section 42-110c, and (2) shall be obligated to provide a payoff  
636 statement, as defined in section 49-8a, in the same manner as a  
637 mortgagee in accordance with the requirements of section 49-10a. The  
638 assignee shall have the same rights to enforce such liens as any private  
639 party holding a lien on real property, including, but not limited to,  
640 foreclosure and a suit on the debt.

641 (c) No such assignment executed on or after July 1, 2022, shall be valid  
642 or enforceable unless memorialized in a contract executed by the  
643 authority and the assignee that is in writing and provides: (1) The  
644 manner in which the assignee will provide to the owner of the real  
645 property that is the subject of the assignment one or more addresses and  
646 telephone numbers that may be used for correspondence with the  
647 assignee about the debt and payment thereof; (2) the earliest and latest

648 dates by which the assignee shall commence any foreclosure or suit on  
649 the debt or the manner for determining such dates, except as may be  
650 impacted by any payment arrangement, bankruptcy petition or other  
651 circumstance, provided in no event shall the assignee commence a  
652 foreclosure suit before one year has elapsed since the assignee's  
653 purchase of the lien; (3) the structure and rates of attorney's fees that the  
654 assignee may claim against the owner or owners of such real property  
655 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
656 using as foreclosure counsel any attorney or law office that is owned by,  
657 employs or contracts with any person having an interest in such  
658 assignee; (4) confirmation that the owner of the real property for which  
659 the lien has been filed shall be a third-party beneficiary entitled to  
660 enforce the covenants and responsibilities of the assignee as contained  
661 in the contract; (5) a prohibition on the assignee assigning the lien  
662 without the municipality's prior written consent; (6) the detail and  
663 frequency of reports provided to the municipality's tax collector  
664 regarding the status of the assigned liens; (7) confirmation that the  
665 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
666 lien because of occupational safety and health law violations; (8)  
667 disclosure of (A) all resolved and pending arbitrations and litigation  
668 matters in which the assignee or any of its principals have been involved  
669 within the last ten years, except foreclosure actions involving liens  
670 purchased from or assigned by governmental entities, (B) all criminal  
671 proceedings that the assignee or any of its principals has ever been the  
672 subject, (C) any interest in the subject property held by the assignee or  
673 any of its principals, officers or agents, and (D) each instance in which  
674 the assignee or any of its principals was found to have violated any state  
675 or local ethics law, regulation, ordinance, code, policy or standard, or to  
676 have committed any other offense arising out of the submission of  
677 proposals or bids or the performance of work on public contract; and (9)  
678 such additional terms to which the municipality and the assignee  
679 mutually agree consistent with applicable law.

680 (d) The assignee, or any subsequent assignee, shall provide written  
681 notice of an assignment, not later than sixty days after the date of such

682 assignment, to the owner and any holder of a mortgage on the real  
683 property that is the subject of the assignment, provided such owner or  
684 holder is of record as of the date of such assignment. Such notice shall  
685 include information sufficient to identify (1) the property that is subject  
686 to the lien and in which the holder has an interest, (2) the name and  
687 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
688 and fees being assigned relative to the subject property as of the date of  
689 the assignment.

690 (e) Not less than sixty days prior to commencing an action to foreclose  
691 a lien assigned under this section, the assignee shall provide a written  
692 notice, by first-class mail to the holders of all first or second security  
693 interests on the property subject to the lien that were recorded before  
694 the date the assessment of such lien became delinquent. Such notice  
695 shall set forth: (1) The amount of unpaid debt owed to the assignee as of  
696 the date of the notice; (2) the amount of any attorney's fees and costs  
697 incurred by the assignee in the enforcement of the lien as of the date of  
698 the notice; (3) a statement of the assignee's intention to foreclose the lien  
699 if the amounts set forth pursuant to subdivisions (1) and (2) of this  
700 subsection are not paid to the assignee on or before sixty days after the  
701 date the notice is provided; (4) the assignee's contact information,  
702 including, but not limited to, the assignee's name, mailing address,  
703 telephone number and electronic mail address, if any; and (5)  
704 instructions concerning the acceptable means of making a payment on  
705 the amounts owed to the assignee as set forth pursuant to subdivisions  
706 (1) and (2) of this subsection. Any notice required under this subsection  
707 shall be effective upon the date such notice is provided.

708 (f) When providing the written notice required under subsection (e)  
709 of this section, the assignee may rely on the last recorded security  
710 interest of record in identifying the name and mailing address of the  
711 holder of such interest, unless the holder of such interest is the plaintiff  
712 in an action pending in Superior Court to enforce such interest, in which  
713 case the assignee shall provide the written notice to the attorney  
714 appearing on behalf of the plaintiff.

715        (g) Each aspect of a foreclosure, sale or other disposition under this  
716 section, including, but not limited to, the costs, attorney fees, method,  
717 advertising, time, date, place and terms, shall be commercially  
718 reasonable. Costs and reasonable attorneys' fees incurred by the  
719 assignee as a result of any foreclosure action or other legal proceeding  
720 brought pursuant to this section and directly related to the proceeding  
721 shall be taxed in any such proceeding against each person having title  
722 to any property subject to the proceedings. Such costs and fees may be  
723 collected by the assignee at any time after demand for payment has been  
724 made by the assignee.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021</i>	12-195h
Sec. 2	<i>October 1, 2021</i>	7-254
Sec. 3	<i>October 1, 2021</i>	7-258
Sec. 4	<i>October 1, 2021</i>	7-239
Sec. 5	<i>October 1, 2021</i>	49-92p
Sec. 6	<i>October 1, 2021</i>	49-92o

**BA**        *Joint Favorable Subst.*

**JUD**       *Joint Favorable*