



General Assembly

January Session, 2021

Raised Bill No. 968

LCO No. 4098



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:
(PD)

AN ACT CONCERNING FORECLOSURE, ASSIGNMENT AND OTHER ENFORCEMENT ACTIONS FOR UNPAID SEWER ASSESSMENTS AND OTHER FEES AND CHARGES.

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

1 Section 1. Section 7-254 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2021, and*
3 *applicable to actions filed on or after October 1, 2021*):

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

9 (b) (1) Whenever any installment of an assessment becomes
10 delinquent, the interest on such delinquent installment shall be as
11 provided in subsection (a) of this section or five dollars, whichever is
12 greater. Any unpaid assessment and any interest due thereon shall
13 constitute a lien upon the real estate against which the assessment was
14 levied from the date of such levy. Each such lien may be continued,

15 recorded and released in the manner provided by the general statutes
16 for continuing, recording and releasing property tax liens. Each such
17 lien shall take precedence over all other liens and encumbrances except
18 taxes and may be enforced, except as provided in subdivision (2) of this
19 subsection, in the same manner as property tax liens. The tax collector
20 of the municipality may collect such assessments in accordance with any
21 mandatory provision of the general statutes for the collection of
22 property taxes and the municipality may recover any such assessment
23 in a civil action against any person liable therefor.

24 (2) In the case of one or more liens for any unpaid assessment and
25 any interest due thereon, as described in subdivision (1) of this
26 subsection, upon any owner-occupied real estate, no such lien or liens
27 may be enforced unless the principal for all such liens upon such owner-
28 occupied real estate exceeds ten thousand dollars.

29 (c) (1) [Any] Except as provided in subdivision (2) of this subsection,
30 any municipality, by resolution of its legislative body, may assign, for
31 consideration, any and all liens filed by the tax collector to secure unpaid
32 sewer assessments as provided under the provisions of this chapter. The
33 consideration received by the municipality shall be negotiated between
34 the municipality and the assignee. The assignee or assignees of such
35 liens shall have and possess the same powers and rights at law or in
36 equity as such municipality and municipality's tax collector would have
37 had if the lien had not been assigned with regard to the precedence and
38 priority of such lien, the accrual of interest and the fees and expenses of
39 collection. The assignee shall have the same rights to enforce such liens
40 as any private party holding a lien on real property, including, but not
41 limited to, foreclosure and a suit on the debt. Costs and reasonable
42 attorneys' fees incurred by the assignee as a result of any foreclosure
43 action or other legal proceeding brought pursuant to this section and
44 directly related to the proceeding shall be taxed in any such proceeding
45 against each person having title to any property subject to the
46 proceedings. Such costs and fees may be collected by the assignee at any
47 time after demand for payment has been made by the assignee.

48 (2) In the case of one or more liens filed by the tax collector to secure
49 unpaid sewer assessments, as described in subdivision (1) of this
50 subsection, upon any owner-occupied real estate, no such lien or liens
51 may be assigned unless the principal for all such liens upon such owner-
52 occupied real estate exceeds ten thousand dollars.

53 (d) Every aspect of any foreclosure action or other legal proceeding
54 brought pursuant to this section, including, but not limited to, costs,
55 attorneys' fees, method, advertising, time, date, place and terms, shall
56 be commercially reasonable.

57 Sec. 2. Section 7-258 of the general statutes is repealed and the
58 following is substituted in lieu thereof (*Effective October 1, 2021, and*
59 *applicable to actions filed on or after October 1, 2021*):

60 (a) (1) Any charge for connection with or for the use of a sewerage
61 system, not paid within thirty days of the due date, shall thereupon be
62 delinquent and shall bear interest from the due date at the rate and in
63 the manner provided by the general statutes for delinquent property
64 taxes. Each addition of interest shall be collectible as a part of such
65 connection or use charge. Any such unpaid connection or use charge
66 shall constitute a lien upon the real estate against which such charge was
67 levied from the date it became delinquent. Each such lien may be
68 continued, recorded and released in the manner provided by the general
69 statutes for continuing, recording and releasing property tax liens. Each
70 such lien shall take precedence over all other liens and encumbrances
71 except taxes and may be foreclosed, except as provided in subdivision
72 (2) of this subsection, in the same manner as a lien for property taxes.
73 The municipality may by ordinance designate the tax collector or any
74 other person as collector of sewerage system connection and use charges
75 and such collector of sewerage system connection and use charges may
76 collect such charges in accordance with the provisions of the general
77 statutes for the collection of property taxes. The municipality may
78 recover any such charges in a civil action against any person liable
79 therefor. For the purpose of establishing or revising such connection or
80 use charges and for the purpose of collecting such charges any

81 municipality may enter into agreements with any water company or
82 municipal water department furnishing water in such municipality for
83 the purchase from such water company or municipal water department
84 of information or services and such agreement may designate such
85 water company or municipal water department as a billing or collecting
86 agent of the collector of sewerage system connection and use charges in
87 the municipality. Any water company or municipal water department
88 may enter into and fulfill any such agreements and may utilize for the
89 collection of such charges any of the methods utilized by it for the
90 collection of its water charges.

91 (2) In the case of one or more liens for any unpaid connection or use
92 charge, as described in subdivision (1) of this subsection, upon any
93 owner-occupied real estate, no such lien or liens may be foreclosed
94 unless the principal for all such liens upon such owner-occupied real
95 estate exceeds ten thousand dollars.

96 (b) (1) [Any] Except as provided in subdivision (2) of this subsection,
97 any municipality, by resolution of its legislative body, may assign, for
98 consideration, any and all liens filed by the tax collector or collector of
99 sewerage system connection and use charges to secure unpaid sewerage
100 connection and use charges as provided under the provisions of this
101 chapter. The consideration received by the municipality shall be
102 negotiated between the municipality and the assignee. The assignee or
103 assignees of such liens shall have and possess the same powers and
104 rights at law or in equity as such municipality and municipality's tax
105 collector would have had if the lien had not been assigned with regard
106 to the precedence and priority of such lien, the accrual of interest and
107 the fees and expenses of collection. The assignee shall have the same
108 rights to enforce such liens as any private party holding a lien on real
109 property, including, but not limited to, foreclosure and a suit on the
110 debt. Costs and reasonable attorneys' fees incurred by the assignee as a
111 result of any foreclosure action or other legal proceeding brought
112 pursuant to this section and directly related to the proceeding shall be
113 taxed in any such proceeding against each person having title to any
114 property subject to the proceedings. Such costs and fees may be

115 collected by the assignee at any time after demand for payment has been
116 made by the assignee.

117 (2) In the case of one or more liens filed by the tax collector or collector
118 of sewerage system connection and use charges to secure unpaid
119 sewerage connection and use charges, as described in subdivision (1) of
120 this subsection, upon any owner-occupied real estate, no such lien or
121 liens may be assigned unless the principal for all such liens upon such
122 owner-occupied real estate exceeds ten thousand dollars.

123 (c) Every aspect of any foreclosure action or other legal proceeding
124 brought pursuant to this section, including, but not limited to, costs,
125 attorneys' fees, method, advertising, time, date, place and terms, shall
126 be commercially reasonable.

127 Sec. 3. Section 22a-506 of the general statutes is repealed and the
128 following is substituted in lieu thereof (*Effective October 1, 2021, and*
129 *applicable to actions filed on or after October 1, 2021*):

130 (a) An authority may (1) levy and collect benefit assessments upon
131 the lands and buildings within its jurisdiction that, in its judgment, are
132 especially benefited by a wastewater system; (2) establish, revise and
133 collect rates, fees, charges, penalties and assessments for the use and
134 benefits of a wastewater system; and (3) order the owner of any building
135 which is accessible to a wastewater system to connect to such system, all
136 in the manner provided in sections 7-249 to 7-257, inclusive, and sections
137 22a-416 to 22a-599, inclusive.

138 (b) (1) Any assessment of benefits, including any installment thereof,
139 and any charge, fee, fine or other amount that is not paid within thirty
140 days after the due date shall be delinquent, shall be subject to interest
141 and shall constitute a lien upon the premises served and a charge upon
142 the owner thereof all in the manner provided both by the provisions of
143 the general statutes for delinquent property taxes and by section 7-258,
144 as amended by this act. The rules and regulations of the authority may
145 provide for the discontinuance of water pollution control service for
146 nonpayment of taxes, special assessments, fees, rates, penalties or other

147 charges therefor imposed under sections 22a-500 to 22a-519, inclusive.
148 Such lien shall take precedence over all other liens or encumbrances
149 except taxes and may be foreclosed against the lot or building served,
150 except as provided in subdivision (2) of this subsection, in the same
151 manner as a lien for taxes, provided all such liens shall continue until
152 such time as they shall be discharged or foreclosed by the authority
153 without the necessity of filing certificates of continuation, but in no
154 event for longer than ten years. The authority may institute a civil action
155 against such owner to recover the amount of any such fee or charge
156 which remains due and unpaid for thirty days along with interest
157 thereon at the same rate as unpaid taxes and with reasonable attorneys'
158 fees, except that no such civil action to recover such amount may be
159 instituted against the owner of an owner-occupied premises unless the
160 principal for such amount exceeds ten thousand dollars.

161 (2) In the case of one or more liens for any assessment of benefits and
162 any charge, fee, fine or other amount that is not paid within thirty days
163 after the due date, as described in subdivision (1) of this subsection,
164 upon any owner-occupied premises served, no such lien or liens may be
165 foreclosed unless the principal for all such liens upon such owner-
166 occupied premises served exceeds ten thousand dollars.

167 Sec. 4. Section 49-92o of the general statutes is repealed and the
168 following is substituted in lieu thereof (*Effective October 1, 2021, and*
169 *applicable to actions filed on or after October 1, 2021*):

170 (a) (1) [Any] Except as provided in subdivision (2) of this subsection,
171 any regional sewer authority established under an act of the General
172 Assembly, may assign, for consideration, any and all liens filed by such
173 regional sewer authority to secure unpaid sewer assessments or
174 connection or use charges of the authority. The consideration received
175 by the authority shall be negotiated between the authority and the
176 assignee. The assignee or assignees of such liens shall have and possess
177 the same powers and rights at law or in equity as such authority would
178 have had if the lien had not been assigned with regard to the precedence
179 and priority of such lien, the accrual of interest and the fees and

180 expenses of collection. The assignee shall have the same rights to enforce
 181 such liens as any private party holding a lien on real property,
 182 including, but not limited to, foreclosure and a suit on the debt. Costs
 183 and reasonable attorneys' fees incurred by the assignee as a result of any
 184 foreclosure action or other legal proceeding brought pursuant to this
 185 section and directly related to the proceeding shall be taxed in any such
 186 proceeding against each person having title to any property subject to
 187 the proceedings. Such costs and fees may be collected by the assignee at
 188 any time after demand for payment has been made by the assignee.

189 (2) In the case of one or more liens filed by a regional sewer authority
 190 to secure unpaid sewer assessment or connection or use charges of the
 191 authority, as described in subdivision (1) of this subsection, upon any
 192 owner-occupied real estate, no such lien or liens may be assigned unless
 193 the principal for all such liens upon such owner-occupied real estate
 194 exceeds ten thousand dollars.

195 (b) Every aspect of any foreclosure action or other legal proceeding
 196 brought pursuant to this section, including, but not limited to, costs,
 197 attorneys' fees, method, advertising, time, date, place and terms, shall
 198 be commercially reasonable.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2021, and applicable to actions filed on or after October 1, 2021</i>	7-254
Sec. 2	<i>October 1, 2021, and applicable to actions filed on or after October 1, 2021</i>	7-258
Sec. 3	<i>October 1, 2021, and applicable to actions filed on or after October 1, 2021</i>	22a-506
Sec. 4	<i>October 1, 2021, and applicable to actions filed on or after October 1, 2021</i>	49-92o

Statement of Purpose:

To prohibit foreclosure, assignment and other enforcement actions for unpaid sewer assessment and other fees and charges in the case of owner-occupied real property for which the principal of such unpaid assessments, fees and charges is less than ten thousand dollars.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]