



# Senate

General Assembly

**File No. 259**

February Session, 2022

Substitute Senate Bill No. 128

*Senate, April 4, 2022*

The Committee on Planning and Development reported through SEN. CASSANO of the 4th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***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 2022 supplement to the general statutes  
2 is repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2022, and applicable to actions filed on or after October 1, 2022*):

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, in accordance with 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 four thousand dollars.

29 (c) [Any] (1) 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.

35 (2) In the case of one or more liens filed by the tax collector to secure  
36 unpaid assessments, as described in subdivision (1) of this subsection,  
37 upon any owner-occupied real estate, no such lien or liens may be  
38 assigned unless the principal for all such liens upon such owner-  
39 occupied real estate exceeds four thousand dollars.

40 (d) The assignee or assignees of such liens shall have and possess the  
41 same powers and rights at law or in equity as such municipality and  
42 municipality's tax collector would have had if the lien had not been  
43 assigned with regard to the precedence and priority of such lien, the  
44 accrual of interest and the fees and expenses of collection, except that  
45 any such assignee (1) shall not be insulated from liability by virtue of

46 the provisions of section 42-110c, and (2) shall be obligated to provide a  
47 payoff statement, as defined in section 49-8a, in the same manner as a  
48 mortgagee in accordance with the requirements of section 49-10a. The  
49 assignee shall have the same rights to enforce such liens as any private  
50 party holding a lien on real property, including, but not limited to,  
51 foreclosure and a suit on the debt.

52 (e) No such assignment executed on or after July 1, 2022, shall be valid  
53 or enforceable unless memorialized in a contract executed by the  
54 authority and the assignee that is in writing and provides: (1) The  
55 manner in which the assignee will provide to the owner of the real  
56 property that is the subject of the assignment one or more addresses and  
57 telephone numbers that may be used for correspondence with the  
58 assignee about the debt and payment thereof; (2) the earliest and latest  
59 dates by which the assignee shall commence any foreclosure or suit on  
60 the debt or the manner for determining such dates, except as may be  
61 impacted by any payment arrangement, bankruptcy petition or other  
62 circumstance, provided in no event shall the assignee commence a  
63 foreclosure suit before one year has elapsed since the assignee's  
64 purchase of the lien; (3) the structure and rates of attorney's fees that the  
65 assignee may claim against the owner or owners of such real property  
66 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
67 using as foreclosure counsel any attorney or law office that is owned by,  
68 employs or contracts with any person having an interest in such  
69 assignee; (4) confirmation that the owner of the real property for which  
70 the lien has been filed shall be a third-party beneficiary entitled to  
71 enforce the covenants and responsibilities of the assignee as contained  
72 in the contract; (5) a prohibition on the assignee assigning the lien  
73 without the municipality's prior written consent; (6) the detail and  
74 frequency of reports provided to the municipality's tax collector  
75 regarding the status of the assigned liens; (7) confirmation that the  
76 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
77 lien because of occupational safety and health law violations; (8)  
78 disclosure of (A) all resolved and pending arbitrations and litigation  
79 matters in which the assignee or any of its principals have been involved  
80 within the last ten years, except foreclosure actions involving liens

81 purchased from or assigned by governmental entities, (B) all criminal  
82 proceedings that the assignee or any of its principals has ever been the  
83 subject, (C) any interest in the subject property held by the assignee or  
84 any of its principals, officers or agents, and (D) each instance in which  
85 the assignee or any of its principals was found to have violated any state  
86 or local ethics law, regulation, ordinance, code, policy or standard, or to  
87 have committed any other offense arising out of the submission of  
88 proposals or bids or the performance of work on public contract; and (9)  
89 such additional terms to which the municipality and the assignee  
90 mutually agree, consistent with applicable law.

91 (f) The assignee, or any subsequent assignee, shall provide written  
92 notice of an assignment, not later than sixty days after the date of such  
93 assignment, to the owner and any holder of a mortgage on the real  
94 property that is the subject of the assignment, provided such owner or  
95 holder is of record as of the date of such assignment. Such notice shall  
96 include information sufficient to identify (1) the property that is subject  
97 to the lien and in which the holder has an interest, (2) the name and  
98 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
99 and fees being assigned relative to the subject property as of the date of  
100 the assignment.

101 (g) Not less than sixty days prior to commencing an action to  
102 foreclose a lien under this section, the assignee shall provide a written  
103 notice, by first-class mail, to the holders of all first or second security  
104 interests on the property subject to the lien that were recorded before  
105 the date the assessment of the lien sought to be enforced became  
106 delinquent. Such notice shall set forth: (1) The amount of unpaid debt  
107 owed to the assignee as of the date of the notice; (2) the amount of any  
108 attorney's fees and costs incurred by the assignee in the enforcement of  
109 the lien as of the date of the notice; (3) a statement of the assignee's  
110 intention to foreclose the lien if the amounts set forth pursuant to  
111 subdivisions (1) and (2) of this subsection are not paid to the assignee  
112 on or before sixty days after the date on which the notice is provided;  
113 (4) the assignee's contact information, including, but not limited to, the  
114 assignee's name, mailing address, telephone number and electronic mail

115 address, if any; and (5) instructions concerning the acceptable means of  
116 making a payment on the amounts owed to the assignee as set forth  
117 pursuant to subdivisions (1) and (2) of this subsection. Any notice  
118 required under this subsection shall be effective upon the date such  
119 notice is provided.

120 (h) When providing the written notice required under subsection (g)  
121 of this section, the assignee may rely on the last recorded security  
122 interest of record in identifying the name and mailing address of the  
123 holder of such interest, unless the holder of such interest is the plaintiff  
124 in an action pending in Superior Court to enforce such interest, in which  
125 case the assignee shall provide the written notice to the attorney  
126 appearing on behalf of the plaintiff.

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

131 Sec. 2. Section 7-258 of the 2022 supplement to the general statutes is  
132 repealed and the following is substituted in lieu thereof (*Effective October*  
133 *1, 2022, and applicable to actions filed on or after October 1, 2022*):

134 (a) (1) Any charge for connection with or for the use of a sewerage  
135 system, not paid within thirty days of the due date, shall thereupon be  
136 delinquent and shall bear interest from the due date at the rate and in  
137 the manner provided by the general statutes for delinquent property  
138 taxes. Each addition of interest shall be collectible as a part of such  
139 connection or use charge. Any such unpaid connection or use charge  
140 shall constitute a lien upon the real estate against which such charge was  
141 levied from the date it became delinquent. Each such lien may be  
142 continued, recorded and released in the manner provided by the general  
143 statutes for continuing, recording and releasing property tax liens. Each  
144 such lien shall take precedence over all other liens and encumbrances  
145 except taxes and may be foreclosed in the same manner as a lien for  
146 property taxes in accordance with subdivision (2) of this subsection. The  
147 municipality may by ordinance designate the tax collector or any other

148 person as collector of sewerage system connection and use charges and  
149 such collector of sewerage system connection and use charges may  
150 collect such charges in accordance with the provisions of the general  
151 statutes for the collection of property taxes. The municipality may  
152 recover any such charges in a civil action against any person liable  
153 therefor. For the purpose of establishing or revising such connection or  
154 use charges and for the purpose of collecting such charges any  
155 municipality may enter into agreements with any water company or  
156 municipal water department furnishing water in such municipality for  
157 the purchase from such water company or municipal water department  
158 of information or services and such agreement may designate such  
159 water company or municipal water department as a billing or collecting  
160 agent of the collector of sewerage system connection and use charges in  
161 the municipality. Any water company or municipal water department  
162 may enter into and fulfill any such agreements and may utilize for the  
163 collection of such charges any of the methods utilized by it for the  
164 collection of its water charges.

165 (2) In the case of one or more liens for any unpaid connection or use  
166 charge, as described in subdivision (1) of this subsection, upon any  
167 owner-occupied real estate, no such lien or liens may be foreclosed  
168 unless the principal for all such liens upon such owner-occupied real  
169 estate exceeds four thousand dollars.

170 (b) [Any] (1) Except as provided in subdivision (2) of this subsection,  
171 any municipality, by resolution of its legislative body, may assign, for  
172 consideration, any and all liens filed by the tax collector or collector of  
173 sewerage system connection and use charges to secure unpaid sewerage  
174 connection and use charges as provided under the provisions of this  
175 chapter. The consideration received by the municipality shall be  
176 negotiated between the municipality and the assignee.

177 (2) In the case of one or more liens filed by the tax collector or collector  
178 of sewerage system connection and use charges to secure unpaid  
179 sewerage connection and use charges, as described in subdivision (1) of  
180 this subsection, upon any owner-occupied real estate, no such lien or

181 liens may be assigned unless the principal for all such liens upon such  
182 owner-occupied real estate exceeds four thousand dollars.

183 (c) The assignee or assignees of such liens shall have and possess the  
184 same powers and rights at law or in equity as such municipality and  
185 municipality's tax collector would have had if the lien had not been  
186 assigned with regard to the precedence and priority of such lien, the  
187 accrual of interest and the fees and expenses of collection, except that  
188 any such assignee (1) shall not be insulated from liability for its conduct  
189 by virtue of the provisions of section 42-110c, and (2) shall be obligated  
190 to provide a payoff statement, as defined in section 49-8a, in the same  
191 manner as a mortgagee in accordance with the requirements of section  
192 49-10a. The assignee shall have the same rights to enforce such liens as  
193 any private party holding a lien on real property, including, but not  
194 limited to, foreclosure and a suit on the debt.

195 (d) No such assignment executed on or after July 1, 2022, shall be  
196 valid or enforceable unless memorialized in a contract executed by the  
197 authority and the assignee that is in writing and provides: (1) The  
198 manner in which the assignee will provide to the owner of the real  
199 property that is the subject of the assignment one or more addresses and  
200 telephone numbers that may be used for correspondence with the  
201 assignee about the debt and payment thereof; (2) the earliest and latest  
202 dates by which the assignee shall commence any foreclosure or suit on  
203 the debt or the manner for determining such dates, except as may be  
204 impacted by any payment arrangement, bankruptcy petition or other  
205 circumstance, provided in no event shall the assignee commence a  
206 foreclosure suit before one year has elapsed since the assignee's  
207 purchase of the lien; (3) the structure and rates of attorney's fees that the  
208 assignee may claim against the owner or owners of such real property  
209 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
210 using as foreclosure counsel any attorney or law office that is owned by,  
211 employs or contracts with any person having an interest in such  
212 assignee; (4) confirmation that the owner of the real property for which  
213 the lien has been filed shall be a third-party beneficiary entitled to  
214 enforce the covenants and responsibilities of the assignee as contained

215 in the contract; (5) a prohibition on the assignee assigning the lien  
216 without the municipality's prior written consent; (6) the detail and  
217 frequency of reports provided to the municipality's tax collector  
218 regarding the status of the assigned liens; (7) confirmation that the  
219 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
220 lien because of occupational safety and health law violations; (8)  
221 disclosure of (A) all resolved and pending arbitrations and litigation  
222 matters in which the assignee or any of its principals have been involved  
223 within the last ten years, except foreclosure actions involving liens  
224 purchased from or assigned by governmental entities, (B) all criminal  
225 proceedings that the assignee or any of its principals has ever been the  
226 subject, (C) any interest in the subject property held by the assignee or  
227 any of its principals, officers or agents, and (D) each instance in which  
228 the assignee or any of its principals was found to have violated any state  
229 or local ethics law, regulation, ordinance, code, policy or standard, or to  
230 have committed any other offense arising out of the submission of  
231 proposals or bids or the performance of work on public contract; and (9)  
232 such additional terms to which the municipality and the assignee  
233 mutually agree consistent with applicable law.

234 (e) The assignee, or any subsequent assignee, shall provide written  
235 notice of an assignment, not later than sixty days after the date of such  
236 assignment, to the owner and any holder of a mortgage on the real  
237 property that is the subject of the assignment, provided such owner or  
238 holder is of record as of the date of such assignment. Such notice shall  
239 include information sufficient to identify (1) the property that is subject  
240 to the lien and in which the holder has an interest, (2) the name and  
241 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
242 and fees being assigned relative to the subject property as of the date of  
243 the assignment.

244 (f) Not less than sixty days prior to commencing an action to foreclose  
245 a lien under this section, the assignee shall provide a written notice, by  
246 first-class mail, to the holders of all first or second security interests on  
247 the property subject to the lien that were recorded before the date the  
248 assessment of the lien sought to be enforced became delinquent. Such



249 notice shall set forth: (1) The amount of unpaid debt owed to the  
250 assignee as of the date of the notice; (2) the amount of any attorney's fees  
251 and costs incurred by the assignee in the enforcement of the lien as of  
252 the date of the notice; (3) a statement of the assignee's intention to  
253 foreclose the lien if the amounts set forth pursuant to subdivisions (1)  
254 and (2) of this subsection are not paid to the assignee on or before sixty  
255 days after the date the notice is provided; (4) the assignee's contact  
256 information, including, but not limited to, the assignee's name, mailing  
257 address, telephone number and electronic mail address, if any; and (5)  
258 instructions concerning the acceptable means of making a payment on  
259 the amounts owed to the assignee as set forth pursuant to subdivisions  
260 (1) and (2) of this subsection. Any notice required under this subsection  
261 shall be effective upon the date such notice is provided.

262 (g) When providing the written notice required under subsection (f)  
263 of this section, the assignee may rely on the last recorded security  
264 interest of record in identifying the name and mailing address of the  
265 holder of such interest, unless the holder of such interest is the plaintiff  
266 in an action pending in Superior Court to enforce such interest, in which  
267 case the assignee shall provide the written notice to the attorney  
268 appearing on behalf of the plaintiff.

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

273 Sec. 3. Section 22a-506 of the general statutes is repealed and the  
274 following is substituted in lieu thereof (*Effective October 1, 2022, and*  
275 *applicable to actions filed on or after October 1, 2022*):

276 (a) An authority may (1) levy and collect benefit assessments upon  
277 the lands and buildings within its jurisdiction that, in its judgment, are  
278 especially benefited by a wastewater system; (2) establish, revise and  
279 collect rates, fees, charges, penalties and assessments for the use and  
280 benefits of a wastewater system; and (3) order the owner of any building  
281 which is accessible to a wastewater system to connect to such system, all

282 in the manner provided in sections 7-249 to 7-257, inclusive, and sections  
283 22a-416 to 22a-599, inclusive.

284 (b) (1) Any assessment of benefits, including any installment thereof,  
285 and any charge, fee, fine or other amount that is not paid within thirty  
286 days after the due date shall be delinquent, shall be subject to interest  
287 and shall constitute a lien upon the premises served and a charge upon  
288 the owner thereof all in the manner provided both by the provisions of  
289 the general statutes for delinquent property taxes and by section 7-258,  
290 as amended by this act. The rules and regulations of the authority may  
291 provide for the discontinuance of water pollution control service for  
292 nonpayment of taxes, special assessments, fees, rates, penalties or other  
293 charges therefor imposed under sections 22a-500 to 22a-519, inclusive.  
294 Such lien shall take precedence over all other liens or encumbrances  
295 except taxes and may be foreclosed against the lot or building served, in  
296 accordance with subdivision (2) of this subsection, in the same manner  
297 as a lien for taxes, provided all such liens shall continue until such time  
298 as they shall be discharged or foreclosed by the authority without the  
299 necessity of filing certificates of continuation, but in no event for longer  
300 than ten years. The authority may institute a civil action against such  
301 owner to recover the amount of any such fee or charge which remains  
302 due and unpaid for thirty days along with interest thereon at the same  
303 rate as unpaid taxes and with reasonable attorneys' fees, [.] provided no  
304 such civil action to recover such amount may be instituted against the  
305 owner of an owner-occupied premises unless the principal for such  
306 amount exceeds four thousand dollars.

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

313 Sec. 4. Section 49-92o of the 2022 supplement to the general statutes  
314 is repealed and the following is substituted in lieu thereof (*Effective*

315 *October 1, 2022, and applicable to actions filed on or after October 1, 2022):*

316 (a) [Any] (1) Except as provided in subdivision (2) of this subsection,  
317 any regional sewer authority established under an act of the General  
318 Assembly, may assign, for consideration, any and all liens filed by such  
319 regional sewer authority to secure unpaid sewer assessments or  
320 connection or use charges of the authority. The consideration received  
321 by the authority shall be negotiated between the authority and the  
322 assignee.

323 (2) In the case of one or more liens filed by a regional sewer authority  
324 to secure unpaid sewer assessment or connection or use charges of the  
325 authority, as described in subdivision (1) of this subsection, upon any  
326 owner-occupied real estate, no such lien or liens may be assigned unless  
327 the principal for all such liens upon such owner-occupied real estate  
328 exceeds four thousand dollars.

329 (b) The assignee or assignees of such liens shall have and possess the  
330 same powers and rights at law or in equity as such authority would have  
331 had if the lien had not been assigned with regard to the precedence and  
332 priority of such lien, the accrual of interest and the fees and expenses of  
333 collection, except that any such assignee (1) shall not be insulated from  
334 liability by section 42-110c, and (2) shall be obligated to provide a payoff  
335 statement, as defined in section 49-8a, in the same manner as a  
336 mortgagee in accordance with the requirements of section 49-10a. The  
337 assignee shall have the same rights to enforce such liens as any private  
338 party holding a lien on real property, including, but not limited to,  
339 foreclosure and a suit on the debt.

340 (c) No such assignment executed on or after July 1, 2022, shall be valid  
341 or enforceable unless memorialized in a contract executed by the  
342 authority and the assignee that is in writing and provides: (1) The  
343 manner in which the assignee will provide to the owner of the real  
344 property that is the subject of the assignment one or more addresses and  
345 telephone numbers that may be used for correspondence with the  
346 assignee about the debt and payment thereof; (2) the earliest and latest  
347 dates by which the assignee shall commence any foreclosure or suit on

348 the debt or the manner for determining such dates, except as may be  
349 impacted by any payment arrangement, bankruptcy petition or other  
350 circumstance, provided in no event shall the assignee commence a  
351 foreclosure suit before one year has elapsed since the assignee's  
352 purchase of the lien; (3) the structure and rates of attorney's fees that the  
353 assignee may claim against the owner or owners of such real property  
354 in any foreclosure, suit on the debt or otherwise, and a prohibition from  
355 using as foreclosure counsel any attorney or law office that is owned by,  
356 employs or contracts with any person having an interest in such  
357 assignee; (4) confirmation that the owner of the real property for which  
358 the lien has been filed shall be a third-party beneficiary entitled to  
359 enforce the covenants and responsibilities of the assignee as contained  
360 in the contract; (5) a prohibition on the assignee assigning the lien  
361 without the municipality's prior written consent; (6) the detail and  
362 frequency of reports provided to the municipality's tax collector  
363 regarding the status of the assigned liens; (7) confirmation that the  
364 assignee is not ineligible, pursuant to section 31-57b, to be assigned the  
365 lien because of occupational safety and health law violations; (8)  
366 disclosure of (A) all resolved and pending arbitrations and litigation  
367 matters in which the assignee or any of its principals have been involved  
368 within the last ten years, except foreclosure actions involving liens  
369 purchased from or assigned by governmental entities, (B) all criminal  
370 proceedings that the assignee or any of its principals has ever been the  
371 subject, (C) any interest in the subject property held by the assignee or  
372 any of its principals, officers or agents, and (D) each instance in which  
373 the assignee or any of its principals was found to have violated any state  
374 or local ethics law, regulation, ordinance, code, policy or standard, or to  
375 have committed any other offense arising out of the submission of  
376 proposals or bids or the performance of work on public contract; and (9)  
377 such additional terms to which the municipality and the assignee  
378 mutually agree consistent with applicable law.

379 (d) The assignee, or any subsequent assignee, shall provide written  
380 notice of an assignment, not later than sixty days after the date of such  
381 assignment, to the owner and any holder of a mortgage on the real  
382 property that is the subject of the assignment, provided such owner or

383 holder is of record as of the date of such assignment. Such notice shall  
384 include information sufficient to identify (1) the property that is subject  
385 to the lien and in which the holder has an interest, (2) the name and  
386 addresses of the assignee, and (3) the amount of unpaid taxes, interest  
387 and fees being assigned relative to the subject property as of the date of  
388 the assignment.

389 (e) Not less than sixty days prior to commencing an action to foreclose  
390 a lien assigned under this section, the assignee shall provide a written  
391 notice, by first-class mail to the holders of all first or second security  
392 interests on the property subject to the lien that were recorded before  
393 the date the assessment of such lien became delinquent. Such notice  
394 shall set forth: (1) The amount of unpaid debt owed to the assignee as of  
395 the date of the notice; (2) the amount of any attorney's fees and costs  
396 incurred by the assignee in the enforcement of the lien as of the date of  
397 the notice; (3) a statement of the assignee's intention to foreclose the lien  
398 if the amounts set forth pursuant to subdivisions (1) and (2) of this  
399 subsection are not paid to the assignee on or before sixty days after the  
400 date the notice is provided; (4) the assignee's contact information,  
401 including, but not limited to, the assignee's name, mailing address,  
402 telephone number and electronic mail address, if any; and (5)  
403 instructions concerning the acceptable means of making a payment on  
404 the amounts owed to the assignee as set forth pursuant to subdivisions  
405 (1) and (2) of this subsection. Any notice required under this subsection  
406 shall be effective upon the date such notice is provided.

407 (f) When providing the written notice required under subsection (e)  
408 of this section, the assignee may rely on the last recorded security  
409 interest of record in identifying the name and mailing address of the  
410 holder of such interest, unless the holder of such interest is the plaintiff  
411 in an action pending in Superior Court to enforce such interest, in which  
412 case the assignee shall provide the written notice to the attorney  
413 appearing on behalf of the plaintiff.

414 (g) Each aspect of a foreclosure, sale or other disposition under this  
415 section, including, but not limited to, the costs, attorney fees, method,

416 advertising, time, date, place and terms, shall be commercially  
 417 reasonable. Costs and reasonable attorneys' fees incurred by the  
 418 assignee as a result of any foreclosure action or other legal proceeding  
 419 brought pursuant to this section and directly related to the proceeding  
 420 shall be taxed in any such proceeding against each person having title  
 421 to any property subject to the proceedings. Such costs and fees may be  
 422 collected by the assignee at any time after demand for payment has been  
 423 made by the assignee.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2022, and applicable to actions filed on or after October 1, 2022</i>	7-254
Sec. 2	<i>October 1, 2022, and applicable to actions filed on or after October 1, 2022</i>	7-258
Sec. 3	<i>October 1, 2022, and applicable to actions filed on or after October 1, 2022</i>	22a-506
Sec. 4	<i>October 1, 2022, and applicable to actions filed on or after October 1, 2022</i>	49-92o

**PD**      *Joint Favorable Subst.*

*The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.*

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**OFA Fiscal Note**

**State Impact:** None

**Municipal Impact:** See Below

**Explanation**

The bill prevents municipal water pollution control authorities (WCPAs) from assigning or enforcing a lien on owner-occupied property until the outstanding principal reaches \$4,000.

By restricting the use of liens, the bill potentially reduces the amount of outstanding debt a municipal WCPA may collect. It is anticipated that any revenue loss a WCPA realizes as a result of the bill would be offset by increased sewer use fees and assessments on all users.

**The Out Years**

The annualized ongoing fiscal impact identified above would continue into the future subject to municipal sewer fees and assessments.

**OLR Bill Analysis****sSB 128*****AN ACT CONCERNING FORECLOSURE, ASSIGNMENT AND OTHER ENFORCEMENT ACTIONS FOR UNPAID SEWER ASSESSMENTS AND OTHER FEES AND CHARGES.*****SUMMARY**

This bill imposes restrictions on assigning or enforcing liens for delinquent sewer benefit assessments (assessments) or sewer use and connection charges (charges).

Under the bill, liens on owner-occupied property for municipal or regional sewer or water pollution control authority (WPCA) assessments or charges are not assignable or subject to certain enforcement actions until the principal exceeds \$4,000. Unlike liens imposed by regional entities, for municipal WPCA liens, this threshold is calculated separately for (1) use and connection charges and (2) benefit assessments.

Current law provides no minimum amount below which a WPCA lien cannot be assigned. But existing law generally prohibits assignees from reassigning liens without a municipality's consent (PA 21-143 established this requirement). Current law also authorizes several lien enforcement options, which do not require waiting until the delinquency exceeds a specific monetary threshold. However, existing law prohibits assignees from bringing a foreclosure suit within one year after acquiring the lien (PA 21-143 also established this requirement). By law, WPCA liens (like property tax liens) become unenforceable if they are not enforced within 15 years of becoming due (CGS § 12-175).

EFFECTIVE DATE: October 1, 2022, and applicable to actions filed on or after that date.

**ENFORCING WPCA LIENS**

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In addition to limiting lien assignments, the bill limits the enforcement actions available to collect on WPCA liens on owner-occupied properties in the following ways:

1. municipal WPCA assessments cannot be enforced (e.g., through foreclosure or non-judicial tax sale) until the combined principal exceeds \$4,000 (§ 1);
2. municipal WPCA charges cannot be foreclosed until the combined principal exceeds \$4,000 (§ 2); and
3. regional WPCA assessments and charges cannot be foreclosed or subject to a civil recovery action until the combined principal exceeds \$4,000 (§ 3).

**COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea 18    Nay 8    (03/18/2022)