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## **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**

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)