

General Assembly

Raised Bill No. 149

February Session, 2024

LCO No. 52



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. Subsections (a) to (c), inclusive, of section 7-254 of the
- 2 general statutes are repealed and the following is substituted in lieu
- 3 thereof (Effective October 1, 2024, and applicable to actions filed on or after
- 4 October 1, 2024):
- 5 (a) Any assessment of benefits or any installment thereof, not paid
- 6 within thirty days after the due date, shall be delinquent and shall be
- 7 subject to interest from such due date at the interest rate and in the
- 8 manner provided by the general statutes for delinquent property taxes.
- 9 Each addition of interest shall be collectible as a part of such assessment.
- 10 (b) (1) Whenever any installment of an assessment becomes
- delinquent, the interest on such delinquent installment shall be as
- provided in subsection (a) of this section or five dollars, whichever is greater. Any unpaid assessment and any interest due thereon shall
- 14 constitute a lien upon the real estate against which the assessment was

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- 16 recorded and released in the manner provided by the general statutes
- 17 for continuing, recording and releasing property tax liens. Each such
- 18 lien shall take precedence over all other liens and encumbrances except
- 19 taxes and may be enforced, in accordance with subdivision (2) of this
- 20 <u>subsection</u>, in the same manner as property tax liens. The tax collector
- 21 of the municipality may collect such assessments in accordance with any
- 22 mandatory provision of the general statutes for the collection of
- 23 property taxes and the municipality may recover any such assessment
- in a civil action against any person liable therefor.
- 25 (2) In the case of one or more liens for any unpaid assessment and
- 26 any interest due thereon, as described in subdivision (1) of this
- 27 <u>subsection, upon any owner-occupied real estate, no such lien or liens</u>
- 28 may be enforced unless the principal for all such liens upon such owner-
- 29 <u>occupied real estate exceeds four thousand dollars.</u>
- 30 (c) [Any] (1) Except as provided in subdivision (2) of this subsection,
- 31 <u>any</u> municipality, by resolution of its legislative body, may assign, for
- 32 consideration, any and all liens filed by the tax collector to secure unpaid
- 33 sewer assessments as provided under the provisions of this chapter. The
- 34 consideration received by the municipality shall be negotiated between
- 35 the municipality and the assignee.
- 36 (2) In the case of one or more liens filed by the tax collector to secure
- 37 unpaid assessments, as described in subdivision (1) of this subsection,
- 38 upon any owner-occupied real estate, no such lien or liens may be
- 39 assigned unless the principal for all such liens upon such owner-
- 40 <u>occupied real estate exceeds four thousand dollars.</u>
- Sec. 2. Subsections (a) and (b) of section 7-258 of the general statutes
- 42 are repealed and the following is substituted in lieu thereof (Effective
- 43 October 1, 2024, and applicable to actions filed on or after October 1, 2024):
- 44 (a) (1) Any charge for connection with or for the use of a sewerage
- 45 system, not paid within thirty days of the due date, shall thereupon be
- delinquent and shall bear interest from the due date at the rate and in

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the manner provided by the general statutes for delinquent property taxes. Each addition of interest shall be collectible as a part of such connection or use charge. Any such unpaid connection or use charge shall constitute a lien upon the real estate against which such charge was levied from the date it became delinquent. Each such lien may be continued, recorded and released in the manner provided by the general statutes for continuing, recording and releasing property tax liens. Each such lien shall take precedence over all other liens and encumbrances except taxes and may be foreclosed in the same manner as a lien for property taxes in accordance with subdivision (2) of this subsection. The municipality may by ordinance designate the tax collector or any other person as collector of sewerage system connection and use charges and such collector of sewerage system connection and use charges may collect such charges in accordance with the provisions of the general statutes for the collection of property taxes. The municipality may recover any such charges in a civil action against any person liable therefor. For the purpose of establishing or revising such connection or use charges and for the purpose of collecting such charges any municipality may enter into agreements with any water company or municipal water department furnishing water in such municipality for the purchase from such water company or municipal water department of information or services and such agreement may designate such water company or municipal water department as a billing or collecting agent of the collector of sewerage system connection and use charges in the municipality. Any water company or municipal water department may enter into and fulfill any such agreements and may utilize for the collection of such charges any of the methods utilized by it for the collection of its water charges.

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

(b) [Any] (1) Except as provided in subdivision (2) of this subsection,

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any municipality, by resolution of its legislative body, may assign, for consideration, any and all liens filed by the tax collector or collector of sewerage system connection and use charges to secure unpaid sewerage connection and use charges as provided under the provisions of this chapter. The consideration received by the municipality shall be negotiated between the municipality and the assignee.

- (2) In the case of one or more liens filed by the tax collector or collector of sewerage system connection and use charges to secure unpaid sewerage connection and use charges, as described in subdivision (1) of this subsection, upon any owner-occupied real estate, no such lien or liens may be assigned unless the principal for all such liens upon such owner-occupied real estate exceeds four thousand dollars.
- Sec. 3. Section 22a-506 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2024, and applicable to actions filed on or after October 1, 2024*):
  - (a) An authority may (1) levy and collect benefit assessments upon the lands and buildings within its jurisdiction that, in its judgment, are especially benefited by a wastewater system; (2) establish, revise and collect rates, fees, charges, penalties and assessments for the use and benefits of a wastewater system; and (3) order the owner of any building which is accessible to a wastewater system to connect to such system, all in the manner provided in sections 7-249 to 7-257, inclusive, and sections 22a-416 to 22a-599, inclusive.
  - (b) (1) Any assessment of benefits, including any installment thereof, and any charge, fee, fine or other amount that is not paid within thirty days after the due date shall be delinquent, shall be subject to interest and shall constitute a lien upon the premises served and a charge upon the owner thereof all in the manner provided both by the provisions of the general statutes for delinquent property taxes and by section 7-258, as amended by this act. The rules and regulations of the authority may provide for the discontinuance of water pollution control service for nonpayment of taxes, special assessments, fees, rates, penalties or other

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113 charges therefor imposed under sections 22a-500 to 22a-519, inclusive. 114 Such lien shall take precedence over all other liens or encumbrances 115 except taxes and may be foreclosed against the lot or building served, in accordance with subdivision (2) of this subsection, in the same manner 116 117 as a lien for taxes, provided all such liens shall continue until such time 118 as they shall be discharged or foreclosed by the authority without the 119 necessity of filing certificates of continuation, but in no event for longer 120 than ten years. The authority may institute a civil action against such 121 owner to recover the amount of any such fee or charge which remains 122 due and unpaid for thirty days along with interest thereon at the same 123 rate as unpaid taxes and with reasonable attorneys' fees, provided no 124 such civil action to recover such amount may be instituted against the 125 owner of an owner-occupied premises unless the principal for such 126 amount exceeds four thousand dollars.

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

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- Sec. 4. Subsection (a) of section 49-920 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October* 1, 2024, and applicable to actions filed on or after October 1, 2024):
- (a) [Any] (1) Except as provided in subdivision (2) of this subsection, any regional sewer authority established under an act of the General Assembly, may assign, for consideration, any and all liens filed by such regional sewer authority to secure unpaid sewer assessments or connection or use charges of the authority. The consideration received by the authority shall be negotiated between the authority and the assignee.
- (2) In the case of one or more liens filed by a regional sewer authority to secure unpaid sewer assessment or connection or use charges of the

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owner-occupied real estate, no such lien or liens may be assigned unless
the principal for all such liens upon such owner-occupied real estate
exceeds four thousand dollars.

This act shall take effect as follows and shall amend the following		
sections:		
Section 1	October 1, 2024, and	7-254(a) to (c)
	applicable to actions filed	, , , , ,
	on or after October 1, 2024	
Sec. 2	October 1, 2024, and	7-258(a) and (b)
	applicable to actions filed	
	on or after October 1, 2024	
Sec. 3	October 1, 2024, and	22a-506
	applicable to actions filed	
	on or after October 1, 2024	
Sec. 4	October 1, 2024, and	49-92o(a)
	applicable to actions filed	
	on or after October 1, 2024	

## 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 four 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.]

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