



General Assembly

Raised Bill No. 6751

January Session, 2023

LCO No. 4656



Referred to Committee on BANKING

Introduced by:
(BA)

AN ACT CONCERNING THE ASSIGNMENT OF TAX 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 Section 12-195h of the general statutes is repealed and the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, 2023*):

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

9 (b) The assignee or assignees of such liens shall have and possess
10 the same powers and rights at law or in equity that such municipality
11 and municipality's tax collector would have had if the lien had not
12 been assigned with regard to the precedence and priority of such lien,
13 the accrual of interest and the fees and expenses of collection and of
14 preparing and recording the assignment, except that (1) for
15 assignments executed on or after July 1, 2024, commencing on the date
16 of the assignment, interest shall accrue on the delinquent portion of the

17 principal of the assigned tax obligation at the rate of twelve per cent
18 per annum, and (2) any such assignee [(1)] (A) shall not be insulated
19 from liability for its conduct by virtue of the provisions of section 42-
20 110c, and [(2)] (B) shall be obligated to provide a payoff statement, as
21 defined in section 49-8a, in the same manner as a mortgagee in
22 accordance with the requirements of section 49-10a. The assignee shall
23 have the same rights to enforce such liens as any private party holding
24 a lien on real property including, but not limited to, foreclosure and a
25 suit on the debt.

26 (c) (1) No such assignment executed on or after July 1, 2022, shall be
27 valid or enforceable unless memorialized in a contract executed by the
28 municipality and the assignee that is in writing and provides: [(1)] (A)
29 The manner in which the assignee will provide to the owner of the real
30 property that is the subject of the assignment one or more addresses
31 and telephone numbers that may be used for correspondence with the
32 assignee about the debt and payment thereof; [(2)] (B) the earliest and
33 latest dates by which the assignee shall commence any foreclosure or
34 suit on the debt or the manner for determining such dates, except as
35 may be impacted by any payment arrangement, bankruptcy petition or
36 other circumstance, provided in no event shall the assignee commence
37 a foreclosure suit before one year has elapsed since the assignee's
38 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees
39 that the assignee may claim against the owner or owners of such real
40 property in any foreclosure, suit on the debt or otherwise, and a
41 prohibition from using as foreclosure counsel any attorney or law
42 office that is owned by, employs or contracts with any person having
43 an interest in such assignee; [(4)] (D) confirmation that the owner of
44 the real property for which the lien has been filed shall be a third-party
45 beneficiary entitled to enforce the covenants and responsibilities of the
46 assignee as contained in the contract; [(5)] (E) a prohibition on the
47 assignee assigning the lien without the municipality's prior written
48 consent; [(6)] (F) the detail and frequency of reports provided to the
49 municipality's tax collector regarding the status of the assigned liens;
50 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to

51 section 31-57b, to be assigned the lien because of occupational safety
52 and health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved
53 and pending arbitrations and litigation matters in which the assignee
54 or any of its principals have been involved within the last ten years,
55 except foreclosure actions involving liens purchased from or assigned
56 by governmental entities, [(B)] (ii) all criminal proceedings that the
57 assignee or any of its principals has ever been the subject, [(C)] (iii) any
58 interest in the subject property held by the assignee or any of its
59 principals, officers or agents, and [(D)] (iv) each instance in which the
60 assignee or any of its principals was found to have violated any state
61 or local ethics law, regulation, ordinance, code, policy or standard, or
62 to have committed any other offense arising out of the submission of
63 proposals or bids or the performance of work on public contract; and
64 [(9)] (I) such additional terms to which the municipality and the
65 assignee mutually agree, consistent with applicable law.

66 (2) No such assignment executed on or after July 1, 2024, shall be
67 valid or enforceable unless memorialized in a contract executed by the
68 municipality and the assignee that is in writing and includes a
69 requirement that no attorney's fees shall be received, claimed or
70 collected until the commencement of foreclosure or suit on the debt.

71 (d) The assignee, or any subsequent assignee, shall provide written
72 notice of an assignment, not later than sixty days after the date of such
73 assignment, to the owner and any holder of a mortgage, on the real
74 property that is the subject of the assignment, provided such owner or
75 holder is of record as of the date of such assignment. Such notice shall
76 include information sufficient to identify (1) the property that is subject
77 to the lien and in which the holder has an interest, (2) the name and
78 addresses of the assignee, and (3) the amount of unpaid taxes, interest
79 and fees being assigned relative to the subject property as of the date
80 of the assignment.

81 (e) Not less than sixty days prior to commencing an action to
82 foreclose a lien under this section, the assignee shall provide a written
83 notice, by first-class mail, to the holders of all first or second security

84 interests on the property subject to the lien that were recorded before
85 the date the assessment the lien sought to be enforced became
86 delinquent. Such notice shall set forth: (1) The amount of unpaid debt
87 owed to the assignee as of the date of the notice; (2) the amount of any
88 attorney's fees and costs incurred by the assignee in the enforcement of
89 the lien as of the date of the notice; (3) a statement of the assignee's
90 intention to foreclose the lien if the amounts set forth pursuant to
91 subdivisions (1) and (2) of this subsection are not paid to the assignee
92 on or before sixty days after the date the notice is provided; (4) the
93 assignee's contact information, including, but not limited to, the
94 assignee's name, mailing address, telephone number and electronic
95 mail address, if any; and (5) instructions concerning the acceptable
96 means of making a payment on the amounts owed to the assignee as
97 set forth pursuant to subdivisions (1) and (2) of this subsection. Any
98 notice required under this subsection shall be effective upon the date
99 such notice is provided.

100 (f) When providing the written notice required under subsection (e)
101 of this section, the assignee may rely on the last recorded security
102 interest of record in identifying the name and mailing address of the
103 holder of such interest, unless the holder of such interest is the plaintiff
104 in an action pending in Superior Court to enforce such interest, in
105 which case the assignee shall provide the written notice to the attorney
106 appearing on behalf of the plaintiff.

107 (g) Each aspect of a foreclosure, sale or other disposition under this
108 section, including, but not limited to, the costs, attorney fees, method,
109 advertising, time, date, place and terms, shall be commercially
110 reasonable, and for actions commenced on or after July 1, 2024, such
111 attorney's fees shall not exceed fifteen per cent of the amount of any
112 judgment that is entered.

113 Sec. 2. Section 7-254 of the general statutes is repealed and the
114 following is substituted in lieu thereof (*Effective October 1, 2023*):

115 (a) Any assessment of benefits or any installment thereof, not paid

116 within thirty days after the due date, shall be delinquent and shall be
117 subject to interest from such due date at the interest rate and in the
118 manner provided by the general statutes for delinquent property taxes.
119 Each addition of interest shall be collectible as a part of such
120 assessment.

121 (b) Whenever any installment of an assessment becomes delinquent,
122 the interest on such delinquent installment shall be as provided in
123 subsection (a) of this section or five dollars, whichever is greater. Any
124 unpaid assessment and any interest due thereon shall constitute a lien
125 upon the real estate against which the assessment was levied from the
126 date of such levy. Each such lien may be continued, recorded and
127 released in the manner provided by the general statutes for continuing,
128 recording and releasing property tax liens. Each such lien shall take
129 precedence over all other liens and encumbrances except taxes and
130 may be enforced in the same manner as property tax liens. The tax
131 collector of the municipality may collect such assessments in
132 accordance with any mandatory provision of the general statutes for
133 the collection of property taxes and the municipality may recover any
134 such assessment in a civil action against any person liable therefor.

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

140 (d) The assignee or assignees of such liens shall have and possess
141 the same powers and rights at law or in equity as such municipality
142 and municipality's tax collector would have had if the lien had not
143 been assigned with regard to the precedence and priority of such lien,
144 the accrual of interest and the fees and expenses of collection, except
145 that any such assignee (1) shall not be insulated from liability by virtue
146 of the provisions of section 42-110c, and (2) shall be obligated to
147 provide a payoff statement, as defined in section 49-8a, in the same
148 manner as a mortgagee in accordance with the requirements of section

149 49-10a. The assignee shall have the same rights to enforce such liens as
150 any private party holding a lien on real property, including, but not
151 limited to, foreclosure and a suit on the debt.

152 (e) (1) No such assignment executed on or after July 1, 2022, shall be
153 valid or enforceable unless memorialized in a contract executed by the
154 authority and the assignee that is in writing and provides: [(1)] (A) The
155 manner in which the assignee will provide to the owner of the real
156 property that is the subject of the assignment one or more addresses
157 and telephone numbers that may be used for correspondence with the
158 assignee about the debt and payment thereof; [(2)] (B) the earliest and
159 latest dates by which the assignee shall commence any foreclosure or
160 suit on the debt or the manner for determining such dates, except as
161 may be impacted by any payment arrangement, bankruptcy petition or
162 other circumstance, provided in no event shall the assignee commence
163 a foreclosure suit before one year has elapsed since the assignee's
164 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees
165 that the assignee may claim against the owner or owners of such real
166 property in any foreclosure, suit on the debt or otherwise, and a
167 prohibition from using as foreclosure counsel any attorney or law
168 office that is owned by, employs or contracts with any person having
169 an interest in such assignee; [(4)] (D) confirmation that the owner of
170 the real property for which the lien has been filed shall be a third-party
171 beneficiary entitled to enforce the covenants and responsibilities of the
172 assignee as contained in the contract; [(5)] (E) a prohibition on the
173 assignee assigning the lien without the municipality's prior written
174 consent; [(6)] (F) the detail and frequency of reports provided to the
175 municipality's tax collector regarding the status of the assigned liens;
176 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to
177 section 31-57b, to be assigned the lien because of occupational safety
178 and health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved
179 and pending arbitrations and litigation matters in which the assignee
180 or any of its principals have been involved within the last ten years,
181 except foreclosure actions involving liens purchased from or assigned
182 by governmental entities, [(B)] (ii) all criminal proceedings that the

183 assignee or any of its principals has ever been the subject, [(C)] (iii) any
184 interest in the subject property held by the assignee or any of its
185 principals, officers or agents, and [(D)] (iv) each instance in which the
186 assignee or any of its principals was found to have violated any state
187 or local ethics law, regulation, ordinance, code, policy or standard, or
188 to have committed any other offense arising out of the submission of
189 proposals or bids or the performance of work on public contract; and
190 [(9)] (I) such additional terms to which the municipality and the
191 assignee mutually agree, consistent with applicable law.

192 (2) No such assignment executed on or after July 1, 2024, shall be
193 valid or enforceable unless memorialized in a contract executed by the
194 authority and the assignee that is in writing and includes a
195 requirement that no attorney's fees shall be received, claimed or
196 collected until the commencement of foreclosure or suit on the debt.

197 (f) The assignee, or any subsequent assignee, shall provide written
198 notice of an assignment, not later than sixty days after the date of such
199 assignment, to the owner and any holder of a mortgage on the real
200 property that is the subject of the assignment, provided such owner or
201 holder is of record as of the date of such assignment. Such notice shall
202 include information sufficient to identify (1) the property that is subject
203 to the lien and in which the holder has an interest, (2) the name and
204 addresses of the assignee, and (3) the amount of unpaid taxes, interest
205 and fees being assigned relative to the subject property as of the date
206 of the assignment.

207 (g) Not less than sixty days prior to commencing an action to
208 foreclose a lien under this section, the assignee shall provide a written
209 notice, by first-class mail, to the holders of all first or second security
210 interests on the property subject to the lien that were recorded before
211 the date the assessment of the lien sought to be enforced became
212 delinquent. Such notice shall set forth: (1) The amount of unpaid debt
213 owed to the assignee as of the date of the notice; (2) the amount of any
214 attorney's fees and costs incurred by the assignee in the enforcement of
215 the lien as of the date of the notice; (3) a statement of the assignee's

216 intention to foreclose the lien if the amounts set forth pursuant to
217 subdivisions (1) and (2) of this subsection are not paid to the assignee
218 on or before sixty days after the date on which the notice is provided;
219 (4) the assignee's contact information, including, but not limited to, the
220 assignee's name, mailing address, telephone number and electronic
221 mail address, if any; and (5) instructions concerning the acceptable
222 means of making a payment on the amounts owed to the assignee as
223 set forth pursuant to subdivisions (1) and (2) of this subsection. Any
224 notice required under this subsection shall be effective upon the date
225 such notice is provided.

226 (h) When providing the written notice required under subsection (g)
227 of this section, the assignee may rely on the last recorded security
228 interest of record in identifying the name and mailing address of the
229 holder of such interest, unless the holder of such interest is the plaintiff
230 in an action pending in Superior Court to enforce such interest, in
231 which case the assignee shall provide the written notice to the attorney
232 appearing on behalf of the plaintiff.

233 (i) Each aspect of a foreclosure, sale or other disposition under this
234 section, including, but not limited to, the costs, attorney fees, method,
235 advertising, time, date, place and terms, shall be commercially
236 reasonable, and for actions commenced on or after July 1, 2024, such
237 attorney's fees shall not exceed fifteen per cent of the amount of any
238 judgment that is entered.

239 Sec. 3. Section 7-258 of the general statutes is repealed and the
240 following is substituted in lieu thereof (*Effective October 1, 2023*):

241 (a) Any charge for connection with or for the use of a sewerage
242 system, not paid within thirty days of the due date, shall thereupon be
243 delinquent and shall bear interest from the due date at the rate and in
244 the manner provided by the general statutes for delinquent property
245 taxes. Each addition of interest shall be collectible as a part of such
246 connection or use charge. Any such unpaid connection or use charge
247 shall constitute a lien upon the real estate against which such charge

248 was levied from the date it became delinquent. Each such lien may be
249 continued, recorded and released in the manner provided by the
250 general statutes for continuing, recording and releasing property tax
251 liens. Each such lien shall take precedence over all other liens and
252 encumbrances except taxes and may be foreclosed in the same manner
253 as a lien for property taxes. The municipality may by ordinance
254 designate the tax collector or any other person as collector of sewerage
255 system connection and use charges and such collector of sewerage
256 system connection and use charges may collect such charges in
257 accordance with the provisions of the general statutes for the collection
258 of property taxes. The municipality may recover any such charges in a
259 civil action against any person liable therefor. For the purpose of
260 establishing or revising such connection or use charges and for the
261 purpose of collecting such charges any municipality may enter into
262 agreements with any water company or municipal water department
263 furnishing water in such municipality for the purchase from such
264 water company or municipal water department of information or
265 services and such agreement may designate such water company or
266 municipal water department as a billing or collecting agent of the
267 collector of sewerage system connection and use charges in the
268 municipality. Any water company or municipal water department
269 may enter into and fulfill any such agreements and may utilize for the
270 collection of such charges any of the methods utilized by it for the
271 collection of its water charges.

272 (b) Any municipality, by resolution of its legislative body, may
273 assign, for consideration, any and all liens filed by the tax collector or
274 collector of sewerage system connection and use charges to secure
275 unpaid sewerage connection and use charges as provided under the
276 provisions of this chapter. The consideration received by the
277 municipality shall be negotiated between the municipality and the
278 assignee.

279 (c) The assignee or assignees of such liens shall have and possess the
280 same powers and rights at law or in equity as such municipality and

281 municipality's tax collector would have had if the lien had not been
282 assigned with regard to the precedence and priority of such lien, the
283 accrual of interest and the fees and expenses of collection, except that
284 any such assignee (1) shall not be insulated from liability for its
285 conduct by virtue of the provisions of section 42-110c, and (2) shall be
286 obligated to provide a payoff statement, as defined in section 49-8a, in
287 the same manner as a mortgagee in accordance with the requirements
288 of section 49-10a. The assignee shall have the same rights to enforce
289 such liens as any private party holding a lien on real property,
290 including, but not limited to, foreclosure and a suit on the debt.

291 (d) (1) No such assignment executed on or after July 1, 2022, shall be
292 valid or enforceable unless memorialized in a contract executed by the
293 authority and the assignee that is in writing and provides: [(1)] (A) The
294 manner in which the assignee will provide to the owner of the real
295 property that is the subject of the assignment one or more addresses
296 and telephone numbers that may be used for correspondence with the
297 assignee about the debt and payment thereof; [(2)] (B) the earliest and
298 latest dates by which the assignee shall commence any foreclosure or
299 suit on the debt or the manner for determining such dates, except as
300 may be impacted by any payment arrangement, bankruptcy petition or
301 other circumstance, provided in no event shall the assignee commence
302 a foreclosure suit before one year has elapsed since the assignee's
303 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees
304 that the assignee may claim against the owner or owners of such real
305 property in any foreclosure, suit on the debt or otherwise, and a
306 prohibition from using as foreclosure counsel any attorney or law
307 office that is owned by, employs or contracts with any person having
308 an interest in such assignee; [(4)] (D) confirmation that the owner of
309 the real property for which the lien has been filed shall be a third-party
310 beneficiary entitled to enforce the covenants and responsibilities of the
311 assignee as contained in the contract; [(5)] (E) a prohibition on the
312 assignee assigning the lien without the municipality's prior written
313 consent; [(6)] (F) the detail and frequency of reports provided to the
314 municipality's tax collector regarding the status of the assigned liens;

315 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to
316 section 31-57b, to be assigned the lien because of occupational safety
317 and health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved
318 and pending arbitrations and litigation matters in which the assignee
319 or any of its principals have been involved within the last ten years,
320 except foreclosure actions involving liens purchased from or assigned
321 by governmental entities, [(B)] (ii) all criminal proceedings that the
322 assignee or any of its principals has ever been the subject, [(C)] (iii) any
323 interest in the subject property held by the assignee or any of its
324 principals, officers or agents, and [(D)] (iv) each instance in which the
325 assignee or any of its principals was found to have violated any state
326 or local ethics law, regulation, ordinance, code, policy or standard, or
327 to have committed any other offense arising out of the submission of
328 proposals or bids or the performance of work on public contract; and
329 [(9)] (I) such additional terms to which the municipality and the
330 assignee mutually agree consistent with applicable law.

331 (2) No such assignment executed on or after July 1, 2024, shall be
332 valid or enforceable unless memorialized in a contract executed by the
333 authority and the assignee that is in writing and includes a
334 requirement that no attorney's fees shall be received, claimed or
335 collected until the commencement of foreclosure or suit on the debt.

336 (e) The assignee, or any subsequent assignee, shall provide written
337 notice of an assignment, not later than sixty days after the date of such
338 assignment, to the owner and any holder of a mortgage on the real
339 property that is the subject of the assignment, provided such owner or
340 holder is of record as of the date of such assignment. Such notice shall
341 include information sufficient to identify (1) the property that is subject
342 to the lien and in which the holder has an interest, (2) the name and
343 addresses of the assignee, and (3) the amount of unpaid taxes, interest
344 and fees being assigned relative to the subject property as of the date
345 of the assignment.

346 (f) Not less than sixty days prior to commencing an action to
347 foreclose a lien under this section, the assignee shall provide a written

348 notice, by first-class mail, to the holders of all first or second security
349 interests on the property subject to the lien that were recorded before
350 the date the assessment of the lien sought to be enforced became
351 delinquent. Such notice shall set forth: (1) The amount of unpaid debt
352 owed to the assignee as of the date of the notice; (2) the amount of any
353 attorney's fees and costs incurred by the assignee in the enforcement of
354 the lien as of the date of the notice; (3) a statement of the assignee's
355 intention to foreclose the lien if the amounts set forth pursuant to
356 subdivisions (1) and (2) of this subsection are not paid to the assignee
357 on or before sixty days after the date the notice is provided; (4) the
358 assignee's contact information, including, but not limited to, the
359 assignee's name, mailing address, telephone number and electronic
360 mail address, if any; and (5) instructions concerning the acceptable
361 means of making a payment on the amounts owed to the assignee as
362 set forth pursuant to subdivisions (1) and (2) of this subsection. Any
363 notice required under this subsection shall be effective upon the date
364 such notice is provided.

365 (g) When providing the written notice required under subsection (f)
366 of this section, the assignee may rely on the last recorded security
367 interest of record in identifying the name and mailing address of the
368 holder of such interest, unless the holder of such interest is the plaintiff
369 in an action pending in Superior Court to enforce such interest, in
370 which case the assignee shall provide the written notice to the attorney
371 appearing on behalf of the plaintiff.

372 (h) Each aspect of a foreclosure, sale or other disposition under this
373 section, including, but not limited to, the costs, attorney fees, method,
374 advertising, time, date, place and terms, shall be commercially
375 reasonable, and for actions commenced on or after July 1, 2024, such
376 attorney's fees shall not exceed fifteen per cent of the amount of any
377 judgment that is entered.

378 Sec. 4. Section 7-239 of the general statutes is repealed and the
379 following is substituted in lieu thereof (*Effective October 1, 2023*):

380 (a) The legislative body shall establish just and equitable rates or
381 charges for the use of the waterworks system authorized in this
382 subsection, to be paid by the owner of each lot or building which is
383 connected with and uses such system, and may change such rates or
384 charges from time to time. Such rates or charges shall be sufficient in
385 each year for the payment of the expense of operation, repair,
386 replacements and maintenance of such system and for the payment of
387 the sums in this subsection required to be paid into the sinking fund.
388 In establishing such rates or charges, the legislative body shall consider
389 measures that promote water conservation and reduce the demand on
390 the state's water and energy resources. Such rates or charges may
391 include: (1) Demand projections that recognize the effects of
392 conservation, (2) implementation of metering and measures to provide
393 timely price signals to consumers, (3) multiyear rate plans, (4)
394 measures to reduce system water losses, and (5) alternative rate
395 designs that promote conservation. No such rate or charge shall be
396 established until after a public hearing at which all the users of the
397 waterworks system and the owners of property served or to be served
398 and others interested shall have an opportunity to be heard concerning
399 such proposed rate or charge. Notice of such hearing shall be given, at
400 least ten days before the date set therefor, in a newspaper having a
401 circulation in such municipality. Such notice shall set forth a schedule
402 of rates or charges, and a copy of the schedule of rates or charges
403 established shall be kept on file in the office of the legislative body and
404 in the office of the clerk of the municipality, and shall be open to
405 inspection by the public. The rates or charges so established for any
406 class of users or property served shall be extended to cover any
407 additional premises thereafter served which are within the same class,
408 without the necessity of a hearing thereon. Any change in such rates or
409 charges may be made in the same manner in which they were
410 established, provided, if any change is made substantially pro rata as
411 to all classes of service, no hearing shall be required. The provisions of
412 this section shall not apply to the sale of bottled water.

413 (b) If any rates or charges established pursuant to this section are

414 not paid within thirty days after the due date, demand for such rates
415 or charges may be made on the owner of the premises served in the
416 manner provided in subsection (a) of section 12-155, and thereafter an
417 alias tax warrant may be issued in the manner provided in sections 12-
418 135 and 12-162. The rates or charges established pursuant to this
419 section, if not paid when due, shall constitute a lien upon the premises
420 served and a charge against the owner thereof, which lien and charge
421 shall bear interest at the same rate as would unpaid taxes. Such a lien
422 not released of record prior to October 1, 1993, shall not continue for
423 more than two years unless the superintendent of the waterworks
424 system has filed a certificate of continuation of the lien in the manner
425 provided under section 12-174 for the continuance of tax liens, and
426 when so continued shall be valid for fifteen years. A lien described in
427 this section shall take precedence over all other liens or encumbrances
428 except taxes and may be foreclosed against the lot or building served
429 in the same manner as a lien for taxes.

430 (c) Any municipality, by resolution of its legislative body, may
431 assign, for consideration, any and all liens filed by the superintendent
432 of the waterworks system or tax collector to secure unpaid water
433 charges as provided under the provisions of this chapter. The
434 consideration received by the municipality shall be negotiated between
435 the municipality and the assignee.

436 (d) The assignee or assignees of such liens shall have and possess
437 the same powers and rights at law or in equity as such municipality
438 and municipality's tax collector would have had if the lien had not
439 been assigned with regard to the precedence and priority of such lien,
440 the accrual of interest and the fees and expenses of collection, except
441 that any such assignee (1) shall not be insulated from liability for its
442 conduct by virtue of the provisions of section 42-110c, and (2) any such
443 assignee shall be obligated to provide a payoff statement, as defined in
444 section 49-8a, in the same manner as a mortgagee in accordance with
445 the requirements of section 49-10a. The assignee shall have the same
446 rights to enforce such liens as any private party holding a lien on real

447 property, including, but not limited to, foreclosure and a suit on the
448 debt.

449 (e) (1) No such assignment executed on or after July 1, 2022, shall be
450 valid or enforceable unless memorialized in a contract executed by the
451 authority and the assignee that is in writing and provides: [(1)] (A) The
452 manner in which the assignee will provide to the owner of the real
453 property that is the subject of the assignment one or more addresses
454 and telephone numbers that may be used for correspondence with the
455 assignee about the debt and payment thereof; [(2)] (B) the earliest and
456 latest dates by which the assignee shall commence any foreclosure or
457 suit on the debt or the manner for determining such dates, except as
458 may be impacted by any payment arrangement, bankruptcy petition or
459 other circumstance, provided in no event shall the assignee commence
460 a foreclosure suit before one year has elapsed since the assignee's
461 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees
462 that the assignee may claim against the owner or owners of such real
463 property in any foreclosure, suit on the debt or otherwise, and a
464 prohibition from using as foreclosure counsel any attorney or law
465 office that is owned by, employs or contracts with any person having
466 an interest in such assignee; [(4)] (D) confirmation that the owner of
467 the real property for which the lien has been filed shall be a third-party
468 beneficiary entitled to enforce the covenants and responsibilities of the
469 assignee as contained in the contract; [(5)] (E) a prohibition on the
470 assignee assigning the lien without the municipality's prior written
471 consent; [(6)] (F) the detail and frequency of reports provided to the
472 municipality's tax collector regarding the status of the assigned liens;
473 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to
474 section 31-57b, to be assigned the lien because of occupational safety
475 and health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved
476 and pending arbitrations and litigation matters in which the assignee
477 or any of its principals have been involved within the last ten years,
478 except foreclosure actions involving liens purchased from or assigned
479 by governmental entities, [(B)] (ii) all criminal proceedings that the
480 assignee or any of its principals has ever been the subject, [(C)] (iii) any

481 interest in the subject property held by the assignee or any of its
482 principals, officers or agents, and [(D)] (iv) each instance in which the
483 assignee or any of its principals was found to have violated any state
484 or local ethics law, regulation, ordinance, code, policy or standard, or
485 to have committed any other offense arising out of the submission of
486 proposals or bids or the performance of work on public contract; and
487 [(9)] (I) such additional terms to which the municipality and the
488 assignee mutually agree consistent with applicable law.

489 (2) No such assignment executed on or after July 1, 2024, shall be
490 valid or enforceable unless memorialized in a contract executed by the
491 authority and the assignee that is in writing and includes a
492 requirement that no attorney's fees shall be received, claimed or
493 collected until the commencement of foreclosure or suit on the debt.

494 (f) The assignee, or any subsequent assignee, shall provide written
495 notice of an assignment, not later than sixty days after the date of such
496 assignment, to the owner and any holder of a mortgage on the real
497 property that is the subject of the assignment, provided such owner or
498 holder is of record as of the date of such assignment. Such notice shall
499 include information sufficient to identify (1) the property that is subject
500 to the lien and in which the holder has an interest, (2) the name and
501 addresses of the assignee, and (3) the amount of unpaid taxes, interest
502 and fees being assigned relative to the subject property as of the date
503 of the assignment.

504 (g) Not less than sixty days prior to commencing an action to
505 foreclose a lien under this section, the assignee shall provide a written
506 notice, by first-class mail, to the holders of all first or second security
507 interests on the property subject to the lien that were recorded before
508 the date the assessment of the lien sought to be enforced became
509 delinquent. Such notice shall set forth: (1) The amount of unpaid debt
510 owed to the assignee as of the date of the notice; (2) the amount of any
511 attorney's fees and costs incurred by the assignee in the enforcement of
512 the lien as of the date of the notice; (3) a statement of the assignee's
513 intention to foreclose the lien if the amounts set forth pursuant to

514 subdivisions (1) and (2) of this subsection are not paid to the assignee
515 on or before sixty days after the date the notice is provided; (4) the
516 assignee's contact information, including, but not limited to, the
517 assignee's name, mailing address, telephone number and electronic
518 mail address, if any; and (5) instructions concerning the acceptable
519 means of making a payment on the amounts owed to the assignee as
520 set forth pursuant to subdivisions (1) and (2) of this subsection. Any
521 notice required under this subsection shall be effective upon the date
522 such notice is provided.

523 (h) When providing the written notice required under subsection (g)
524 of this section, the assignee may rely on the last recorded security
525 interest of record in identifying the name and mailing address of the
526 holder of such interest, unless the holder of such interest is the plaintiff
527 in an action pending in Superior Court to enforce such interest, in
528 which case the assignee shall provide the written notice to the attorney
529 appearing on behalf of the plaintiff.

530 (i) Each aspect of a foreclosure, sale or other disposition under this
531 section, including, but not limited to, the costs, attorney fees, method,
532 advertising, time, date, place and terms, shall be commercially
533 reasonable, and for actions commenced on or after July 1, 2024, such
534 attorney's fees shall not exceed fifteen per cent of the amount of any
535 judgment that is entered. Costs and reasonable attorneys' fees incurred
536 by the assignee as a result of any foreclosure action or other legal
537 proceeding brought pursuant to this section and directly related to the
538 proceeding shall be taxed in any such proceeding against each person
539 having title to any property subject to the proceedings. Such costs [and
540 fees] may be collected by the assignee at any time after demand for
541 payment has been made by the assignee.

542 (j) The amount of any such rate or charge which remains due and
543 unpaid for thirty days may, with reasonable attorneys' fees, be
544 recovered by the legislative body in a civil action in the name of the
545 municipality against such owners. For actions commenced on or after
546 July 1, 2024, such attorney's fees shall not exceed fifteen per cent of the

547 amount of any judgment that is entered. The municipality shall be
548 subject to the same rates or charges under the same conditions as other
549 users of such waterworks system.

550 Sec. 5. Section 49-92p of the general statutes is repealed and the
551 following is substituted in lieu thereof (*Effective October 1, 2023*):

552 (a) Any regional water authority established under an act of the
553 General Assembly, may assign, for consideration, any and all liens
554 filed by such regional water authority to secure unpaid water
555 assessments or connection or use charges of the authority. The
556 consideration received by the authority shall be negotiated between
557 the authority and the assignee.

558 (b) The assignee or assignees of such liens shall have and possess
559 the same powers and rights at law or in equity as such authority
560 would have had if the lien had not been assigned with regard to the
561 precedence and priority of such lien, the accrual of interest and the fees
562 and expenses of collection, except that such assignee (1) shall not be
563 insulated from liability for its conduct by virtue of the provisions of
564 section 42-110c, and (2) shall be obligated to provide a payoff
565 statement, as defined in section 49-8a, in the same manner as a
566 mortgagee in accordance with the requirements of section 49-10a. The
567 assignee shall have the same rights to enforce such liens as any private
568 party holding a lien on real property, including, but not limited to,
569 foreclosure and a suit on the debt.

570 (c) (1) No such assignment executed on or after July 1, 2022, shall be
571 valid or enforceable unless memorialized in a contract executed by the
572 authority and the assignee that is in writing and provides: [(1)] (A) The
573 manner in which the assignee will provide to the owner of the real
574 property that is the subject of the assignment one or more addresses
575 and telephone numbers that may be used for correspondence with the
576 assignee about the debt and payment thereof; [(2)] (B) the earliest and
577 latest dates by which the assignee shall commence any foreclosure or
578 suit on the debt or the manner for determining such dates, except as

579 may be impacted by any payment arrangement, bankruptcy petition or
580 other circumstance, provided in no event shall the assignee commence
581 a foreclosure suit before one year has elapsed since the assignee's
582 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees
583 that the assignee may claim against the owner or owners of such real
584 property in any foreclosure, suit on the debt or otherwise, and a
585 prohibition from using as foreclosure counsel any attorney or law
586 office that is owned by, employs or contracts [having] with any person
587 [with] having an interest in such assignee; [(4)] (D) confirmation that
588 the owner of the real property for which the lien has been filed shall be
589 a third-party beneficiary entitled to enforce the covenants and
590 responsibilities of the assignee as contained in the contract; [(5)] (E) a
591 prohibition on the assignee assigning the lien without the
592 municipality's prior written consent; [(6)] (F) the detail and frequency
593 of reports provided to the municipality's tax collector regarding the
594 status of the assigned liens; [(7)] (G) confirmation that the assignee is
595 not ineligible, pursuant to section 31-57b, to be assigned the lien
596 because of occupational safety and health law violations; [(8)] (H)
597 disclosure of [(A)] (i) all resolved and pending arbitrations and
598 litigation matters in which the assignee or any of its principals have
599 been involved within the last ten years, except foreclosure actions
600 involving liens purchased from or assigned by governmental entities,
601 [(B)] (ii) all criminal proceedings that the assignee or any of its
602 principals has ever been the subject, [(C)] (iii) any interest in the subject
603 property held by the assignee or any of its principals, officers or
604 agents, and [(D)] (iv) each instance in which the assignee or any of its
605 principals was found to have violated any state or local ethics law,
606 regulation, ordinance, code, policy or standard, or to have committed
607 any other offense arising out of the submission of proposals or bids or
608 the performance of work on public contract; and [(9)] (I) such
609 additional terms to which the municipality and the assignee mutually
610 agree consistent with applicable law.

611 (2) No such assignment executed on or after July 1, 2024, shall be
612 valid or enforceable unless memorialized in a contract executed by the

613 authority and the assignee that is in writing and includes a
614 requirement that no attorney's fees shall be received, claimed or
615 collected until the commencement of foreclosure or suit on the debt.

616 (d) The assignee, or any subsequent assignee, shall provide written
617 notice of an assignment, not later than sixty days after the date of such
618 assignment, to the owner and any holder of a mortgage on the real
619 property that is the subject of the assignment, provided such owner or
620 holder is of record as of the date of such assignment. Such notice shall
621 include information sufficient to identify (1) the property that is subject
622 to the lien and in which the holder has an interest, (2) the name and
623 addresses of the assignee, and (3) the amount of unpaid taxes, interest
624 and fees being assigned relative to the subject property as of the date
625 of the assignment.

626 (e) Not less than sixty days prior to commencing an action to
627 foreclose a lien under this section, the assignee shall provide a written
628 notice, by first-class mail to the holders of all first or second security
629 interests on the property subject to the lien that were recorded before
630 the date the assessment of the lien sought to be enforced became
631 delinquent. Such notice shall set forth: (1) The amount of unpaid debt
632 owed to the assignee as of the date of the notice; (2) the amount of any
633 attorney's fees and costs incurred by the assignee in the enforcement of
634 the lien as of the date of the notice; (3) a statement of the assignee's
635 intention to foreclose the lien if the amounts set forth pursuant to
636 subdivisions (1) and (2) of this subsection are not paid to the assignee
637 on or before sixty days after the date the notice is provided; (4) the
638 assignee's contact information, including, but not limited to, the
639 assignee's name, mailing address, telephone number and electronic
640 mail address, if any; and (5) instructions concerning the acceptable
641 means of making a payment on the amounts owed to the assignee as
642 set forth pursuant to subdivisions (1) and (2) of this subsection. Any
643 notice required under this subsection shall be effective upon the date
644 such notice is provided.

645 (f) When providing the written notice required under subsection (e)

646 of this section, the assignee may rely on the last recorded security
647 interest of record in identifying the name and mailing address of the
648 holder of such interest, unless the holder of such interest is the plaintiff
649 in an action pending in Superior Court to enforce such interest, in
650 which case the assignee shall provide the written notice to the attorney
651 appearing on behalf of the plaintiff.

652 (g) Each aspect of a foreclosure, sale or other disposition under this
653 section, including, but not limited to, the costs, attorney fees, method,
654 advertising, time, date, place and terms, shall be commercially
655 reasonable, and for actions commenced on or after July 1, 2024, such
656 attorney's fees shall not exceed fifteen per cent of the amount of any
657 judgment that is entered. Costs and reasonable attorneys' fees incurred
658 by the assignee as a result of any foreclosure action or other legal
659 proceeding brought pursuant to this section and directly related to the
660 proceeding shall be taxed in any such proceeding against each person
661 having title to any property subject to the proceedings. Such costs [and
662 fees] may be collected by the assignee at any time after demand for
663 payment has been made by the assignee.

664 Sec. 6. Section 49-92o of the general statutes is repealed and the
665 following is substituted in lieu thereof (*Effective October 1, 2023*):

666 (a) Any regional sewer authority established under an act of the
667 General Assembly, may assign, for consideration, any and all liens
668 filed by such regional sewer authority to secure unpaid sewer
669 assessments or connection or use charges of the authority. The
670 consideration received by the authority shall be negotiated between
671 the authority and the assignee.

672 (b) The assignee or assignees of such liens shall have and possess
673 the same powers and rights at law or in equity as such authority
674 would have had if the lien had not been assigned with regard to the
675 precedence and priority of such lien, the accrual of interest and the fees
676 and expenses of collection, except that any such assignee (1) shall not
677 be insulated from liability by section 42-110c, and (2) shall be obligated

678 to provide a payoff statement, as defined in section 49-8a, in the same
679 manner as a mortgagee in accordance with the requirements of section
680 49-10a. The assignee shall have the same rights to enforce such liens as
681 any private party holding a lien on real property, including, but not
682 limited to, foreclosure and a suit on the debt.

683 (c) (1) No such assignment executed on or after July 1, 2022, shall be
684 valid or enforceable unless memorialized in a contract executed by the
685 authority and the assignee that is in writing and provides: [(1)] (A) The
686 manner in which the assignee will provide to the owner of the real
687 property that is the subject of the assignment one or more addresses
688 and telephone numbers that may be used for correspondence with the
689 assignee about the debt and payment thereof; [(2)] (B) the earliest and
690 latest dates by which the assignee shall commence any foreclosure or
691 suit on the debt or the manner for determining such dates, except as
692 may be impacted by any payment arrangement, bankruptcy petition or
693 other circumstance, provided in no event shall the assignee commence
694 a foreclosure suit before one year has elapsed since the assignee's
695 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees
696 that the assignee may claim against the owner or owners of such real
697 property in any foreclosure, suit on the debt or otherwise, and a
698 prohibition from using as foreclosure counsel any attorney or law
699 office that is owned by, employs or contracts with any person having
700 an interest in such assignee; [(4)] (D) confirmation that the owner of
701 the real property for which the lien has been filed shall be a third-party
702 beneficiary entitled to enforce the covenants and responsibilities of the
703 assignee as contained in the contract; [(5)] (E) a prohibition on the
704 assignee assigning the lien without the municipality's prior written
705 consent; [(6)] (F) the detail and frequency of reports provided to the
706 municipality's tax collector regarding the status of the assigned liens;
707 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to
708 section 31-57b, to be assigned the lien because of occupational safety
709 and health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved
710 and pending arbitrations and litigation matters in which the assignee
711 or any of its principals have been involved within the last ten years,

712 except foreclosure actions involving liens purchased from or assigned
713 by governmental entities, [(B)] (ii) all criminal proceedings that the
714 assignee or any of its principals has ever been the subject, [(C)] (iii) any
715 interest in the subject property held by the assignee or any of its
716 principals, officers or agents, and [(D)] (iv) each instance in which the
717 assignee or any of its principals was found to have violated any state
718 or local ethics law, regulation, ordinance, code, policy or standard, or
719 to have committed any other offense arising out of the submission of
720 proposals or bids or the performance of work on public contract; and
721 [(9)] (I) such additional terms to which the municipality and the
722 assignee mutually agree consistent with applicable law.

723 (2) No such assignment executed on or after July 1, 2024, shall be
724 valid or enforceable unless memorialized in a contract executed by the
725 authority and the assignee that is in writing and includes a
726 requirement that no attorney's fees shall be received, claimed or
727 collected until the commencement of foreclosure or suit on the debt.

728 (d) The assignee, or any subsequent assignee, shall provide written
729 notice of an assignment, not later than sixty days after the date of such
730 assignment, to the owner and any holder of a mortgage on the real
731 property that is the subject of the assignment, provided such owner or
732 holder is of record as of the date of such assignment. Such notice shall
733 include information sufficient to identify (1) the property that is subject
734 to the lien and in which the holder has an interest, (2) the name and
735 addresses of the assignee, and (3) the amount of unpaid taxes, interest
736 and fees being assigned relative to the subject property as of the date
737 of the assignment.

738 (e) Not less than sixty days prior to commencing an action to
739 foreclose a lien assigned under this section, the assignee shall provide
740 a written notice, by first-class mail to the holders of all first or second
741 security interests on the property subject to the lien that were recorded
742 before the date the assessment of such lien became delinquent. Such
743 notice shall set forth: (1) The amount of unpaid debt owed to the
744 assignee as of the date of the notice; (2) the amount of any attorney's

745 fees and costs incurred by the assignee in the enforcement of the lien as
746 of the date of the notice; (3) a statement of the assignee's intention to
747 foreclose the lien if the amounts set forth pursuant to subdivisions (1)
748 and (2) of this subsection are not paid to the assignee on or before sixty
749 days after the date the notice is provided; (4) the assignee's contact
750 information, including, but not limited to, the assignee's name, mailing
751 address, telephone number and electronic mail address, if any; and (5)
752 instructions concerning the acceptable means of making a payment on
753 the amounts owed to the assignee as set forth pursuant to subdivisions
754 (1) and (2) of this subsection. Any notice required under this
755 subsection shall be effective upon the date such notice is provided.

756 (f) When providing the written notice required under subsection (e)
757 of this section, the assignee may rely on the last recorded security
758 interest of record in identifying the name and mailing address of the
759 holder of such interest, unless the holder of such interest is the plaintiff
760 in an action pending in Superior Court to enforce such interest, in
761 which case the assignee shall provide the written notice to the attorney
762 appearing on behalf of the plaintiff.

763 (g) Each aspect of a foreclosure, sale or other disposition under this
764 section, including, but not limited to, the costs, attorney fees, method,
765 advertising, time, date, place and terms, shall be commercially
766 reasonable, and for actions commenced on or after July 1, 2024, such
767 attorney's fees shall not exceed fifteen per cent of the amount of any
768 judgment that is entered. Costs and reasonable attorneys' fees incurred
769 by the assignee as a result of any foreclosure action or other legal
770 proceeding brought pursuant to this section and directly related to the
771 proceeding shall be taxed in any such proceeding against each person
772 having title to any property subject to the proceedings. Such costs [and
773 fees] may be collected by the assignee at any time after demand for
774 payment has been made by the assignee.

This act shall take effect as follows and shall amend the following sections:

Section 1	<i>October 1, 2023</i>	12-195h
Sec. 2	<i>October 1, 2023</i>	7-254
Sec. 3	<i>October 1, 2023</i>	7-258
Sec. 4	<i>October 1, 2023</i>	7-239
Sec. 5	<i>October 1, 2023</i>	49-92p
Sec. 6	<i>October 1, 2023</i>	49-92o

BA *Joint Favorable*