



# Senate

General Assembly

**File No. 329**

January Session, 2025

Substitute Senate Bill No. 1187

*Senate, March 31, 2025*

The Committee on Planning and Development reported through SEN. RAHMAN 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. 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2 general statutes are repealed and the following is substituted in lieu  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, 2025, and applicable to actions filed on or after*  
4 *October 1, 2025*):

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  
11 delinquent, the interest on such delinquent installment shall be as  
12 provided in subsection (a) of this section or five dollars, whichever is

13 greater. Any unpaid assessment and any interest due thereon shall  
14 constitute a lien upon the real estate against which the assessment was  
15 levied from the date of such levy. Each such lien may be continued,  
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 subsection, 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  
24 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 subsection, upon any owner-occupied real estate, no such lien or liens  
28 may be foreclosed unless the principal for all such liens upon such  
29 owner-occupied real estate exceeds three thousand dollars or three  
30 years have elapsed from the date any such lien was filed and such lien  
31 remains unpaid, except such restriction shall not apply if a tax or other  
32 municipal lien is foreclosed in the same action against such real estate.

33 (c) [Any] (1) Except as provided in subdivision (2) of this subsection,  
34 any municipality, by resolution of its legislative body, may assign, for  
35 consideration, any and all liens filed by the tax collector to secure unpaid  
36 sewer assessments as provided under the provisions of this chapter. The  
37 consideration received by the municipality shall be negotiated between  
38 the municipality and the assignee.

39 (2) In the case of one or more liens filed by the tax collector to secure  
40 unpaid assessments, as described in subdivision (1) of this subsection,  
41 upon any owner-occupied real estate, no such lien or liens may be  
42 assigned unless the principal for all such liens upon such owner-  
43 occupied real estate exceeds three thousand dollars or three years have  
44 elapsed from the date any such lien was filed and such lien remains  
45 unpaid, except such restriction shall not apply if a tax or other municipal

46 lien upon such real estate is also assigned.

47 Sec. 2. Subsections (a) and (b) of section 7-258 of the general statutes  
48 are repealed and the following is substituted in lieu thereof (*Effective*  
49 *October 1, 2025, and applicable to actions filed on or after October 1, 2025*):

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

80 collection of its water charges.

81 (2) In the case of one or more liens for any unpaid connection or use  
82 charge, as described in subdivision (1) of this subsection, upon any  
83 owner-occupied real estate, no such lien or liens may be foreclosed  
84 unless the principal for all such liens upon such owner-occupied real  
85 estate exceeds three thousand dollars or three years have elapsed from  
86 the date any such lien was filed and such lien remains unpaid, except  
87 such restriction shall not apply if a tax or other municipal lien is  
88 foreclosed in the same action against such real estate.

89 (b) [Any] (1) Except as provided in subdivision (2) of this subsection,  
90 any municipality, by resolution of its legislative body, may assign, for  
91 consideration, any and all liens filed by the tax collector or collector of  
92 sewerage system connection and use charges to secure unpaid sewerage  
93 connection and use charges as provided under the provisions of this  
94 chapter. The consideration received by the municipality shall be  
95 negotiated between the municipality and the assignee.

96 (2) In the case of one or more liens filed by the tax collector or collector  
97 of sewerage system connection and use charges to secure unpaid  
98 sewerage connection and use charges, as described in subdivision (1) of  
99 this subsection, upon any owner-occupied real estate, no such lien or  
100 liens may be assigned unless the principal for all such liens upon such  
101 owner-occupied real estate exceeds three thousand dollars or three  
102 years have elapsed from the date any such lien was filed and such lien  
103 remains unpaid, except such restriction shall not apply if a tax or other  
104 municipal lien upon such real estate is also assigned.

105 Sec. 3. Section 22a-506 of the general statutes is repealed and the  
106 following is substituted in lieu thereof (*Effective October 1, 2025, and*  
107 *applicable to actions filed on or after October 1, 2025*):

108 (a) An authority may (1) levy and collect benefit assessments upon  
109 the lands and buildings within its jurisdiction that, in its judgment, are  
110 especially benefited by a wastewater system; (2) establish, revise and  
111 collect rates, fees, charges, penalties and assessments for the use and

112 benefits of a wastewater system; and (3) order the owner of any building  
113 which is accessible to a wastewater system to connect to such system, all  
114 in the manner provided in sections 7-249 to 7-257, inclusive, and sections  
115 22a-416 to 22a-599, inclusive.

116 (b) (1) Any assessment of benefits, including any installment thereof,  
117 and any charge, fee, fine or other amount that is not paid within thirty  
118 days after the due date shall be delinquent, shall be subject to interest  
119 and shall constitute a lien upon the premises served and a charge upon  
120 the owner thereof all in the manner provided both by the provisions of  
121 the general statutes for delinquent property taxes and by section 7-258,  
122 as amended by this act. The rules and regulations of the authority may  
123 provide for the discontinuance of water pollution control service for  
124 nonpayment of taxes, special assessments, fees, rates, penalties or other  
125 charges therefor imposed under sections 22a-500 to 22a-519, inclusive.  
126 Such lien shall take precedence over all other liens or encumbrances  
127 except taxes and may be foreclosed against the lot or building served, in  
128 accordance with subdivision (2) of this subsection, in the same manner  
129 as a lien for taxes, provided all such liens shall continue until such time  
130 as they shall be discharged or foreclosed by the authority without the  
131 necessity of filing certificates of continuation, but in no event for longer  
132 than ten years. The authority may institute a civil action against such  
133 owner to recover the amount of any such fee or charge which remains  
134 due and unpaid for thirty days along with interest thereon at the same  
135 rate as unpaid taxes and with reasonable attorneys' fees, provided no  
136 foreclosure to recover such amount may be instituted against the owner  
137 of an owner-occupied premises unless the principal for such amount  
138 exceeds three thousand dollars or three years have elapsed from the  
139 date any such lien was filed and such lien remains unpaid, except such  
140 restriction shall not apply if a tax or other municipal lien is foreclosed in  
141 the same action against such real estate.

142 (2) In the case of one or more liens for any assessment of benefits and  
143 any charge, fee, fine or other amount that is not paid within thirty days  
144 after the due date, as described in subdivision (1) of this subsection,  
145 upon any owner-occupied premises served, no such lien or liens may be

146 foreclosed unless the principal for all such liens upon such owner-  
 147 occupied premises served exceeds three thousand dollars or three years  
 148 have elapsed from the date any such lien was filed and such lien remains  
 149 unpaid, except such restriction shall not apply if a tax or other municipal  
 150 lien is foreclosed in the same action against such real estate.

151 Sec. 4. Subsection (a) of section 49-92o of the general statutes is  
 152 repealed and the following is substituted in lieu thereof (*Effective October*  
 153 *1, 2025, and applicable to actions filed on or after October 1, 2025*):

154 (a) [Any] (1) Except as provided in subdivision (2) of this subsection,  
 155 any regional sewer authority established under an act of the General  
 156 Assembly, may assign, for consideration, any and all liens filed by such  
 157 regional sewer authority to secure unpaid sewer assessments or  
 158 connection or use charges of the authority. The consideration received  
 159 by the authority shall be negotiated between the authority and the  
 160 assignee.

161 (2) In the case of one or more liens filed by a regional sewer authority  
 162 to secure unpaid sewer assessment or connection or use charges of the  
 163 authority, as described in subdivision (1) of this subsection, upon any  
 164 owner-occupied real estate, no such lien or liens may be assigned unless  
 165 the principal for all such liens upon such owner-occupied real estate  
 166 exceeds three thousand dollars or three years have elapsed from the  
 167 date any such lien was filed and such lien remains unpaid, except such  
 168 restriction shall not apply if a tax or other municipal lien upon such real  
 169 estate is also assigned.

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

Section 1	<i>October 1, 2025, and applicable to actions filed on or after October 1, 2025</i>	7-254(a) to (c)
Sec. 2	<i>October 1, 2025, and applicable to actions filed on or after October 1, 2025</i>	7-258(a) and (b)

Sec. 3	<i>October 1, 2025, and applicable to actions filed on or after October 1, 2025</i>	22a-506
Sec. 4	<i>October 1, 2025, and applicable to actions filed on or after October 1, 2025</i>	49-92o(a)

**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 (WPCAs) from assigning for enforcing a lien on owner-occupied property until the outstanding principal reaches \$3,000.

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

#### **The Out Years**

**State Impact:** None

**Municipal Impact:** None



**OLR Bill Analysis****sSB 1187*****AN ACT CONCERNING FORECLOSURE, ASSIGNMENT AND OTHER ENFORCEMENT ACTIONS FOR UNPAID SEWER ASSESSMENTS AND OTHER FEES AND CHARGES.*****SUMMARY**

This bill generally limits the foreclosure and assignment of liens for delinquent sewer assessments and charges on owner-occupied real estate by municipal and regional sewer or water pollution control authorities (WPCAs). But the bill's restrictions do not apply to sewer lien (1) foreclosures if they are foreclosed in an action involving tax or other municipal liens and (2) assignments if tax or other municipal liens on the property are currently assigned or are being assigned at the same time.

Except as described above, the bill prohibits the following actions on owner-occupied properties unless a lien's principal amount exceeds \$3,000 or three years have passed since the lien was filed and it remains unpaid:

1. municipal or regional WPCAs foreclosing liens for delinquent sewer assessments or connection or use charges (§§ 1-3) and
2. municipal or regional WPCAs or regional sewer authorities assigning liens for delinquent assessments or use charges (§§ 1-2 & 4).

For the regional entities, the principal amount of the liens for delinquent assessments and charges must be combined to determine whether they exceed the \$4,000 threshold. For the municipal WPCAs, the threshold is calculated separately for assessments and charges.

By law, unchanged by the bill, the statute of limitations for sewer

liens (like property tax liens) is generally 15 years (CGS § 12-175).

EFFECTIVE DATE: October 1, 2025, and applicable to actions filed on or after that date.

## **BACKGROUND**

### ***Sewer Fees***

There are generally three types of sewer fees: benefit assessments, user charges, and connection charges. Benefit assessments are meant to cover the capital costs incurred in building sanitary sewer lines and treatment plans. They are based on the actual or anticipated benefits a property owner receives or will receive from the system. User charges are paid by sewer line users and are designed to recoup the costs of operating and maintaining the system. Connection charges apply when a property owner ties his or her property to a sewer line.

### ***Related Bills***

sSB 1316, favorably reported by the Planning and Development Committee, reduces, from 18% to 12%, the annual interest rate on delinquent property taxes when a municipal tax collector files a lien on the property and assigns the lien.

SB 1339, favorably reported by the Banking Committee, also reduces the interest rate on these assigned liens to 12% and, among other things, additionally caps certain attorney's fees associated with them.

## **COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea    13        Nay    7        (03/12/2025)