



General Assembly

January Session, 2025

***Raised Bill No. 1339***

LCO No. 4237



Referred to Committee on BANKING

Introduced by:  
(BA)

***AN ACT CONCERNING THE ASSIGNMENT OF CERTAIN 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 Section 12-195h of the general statutes is repealed and the  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, 2025*):

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

9 (b) The assignee or assignees of such liens shall have and possess the  
10 same powers and rights at law or in equity that such municipality and  
11 municipality's tax collector would have had if the lien had not been  
12 assigned with regard to the precedence and priority of such lien, the  
13 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, 2026, 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 per  
 18 annum; and (2) any such assignee [(1)] (A) shall not be insulated from  
 19 liability for its conduct by virtue of the provisions of section 42-110c, and  
 20 [(2)] (B) shall be obligated to provide a payoff statement, as defined in  
 21 section 49-8a, in the same manner as a mortgagee in accordance with the  
 22 requirements of section 49-10a. The assignee shall have the same rights  
 23 to enforce such liens as any private party holding a lien on real property  
 24 including, but not limited to, foreclosure and a suit on the debt.

25 (c) (1) No such assignment executed on or after July 1, 2022, shall be  
 26 valid or enforceable unless memorialized in a contract executed by the  
 27 municipality and the assignee that is in writing and provides: [(1)] (A)  
 28 The manner in which the assignee will provide to the owner of the real  
 29 property that is the subject of the assignment one or more addresses and  
 30 telephone numbers that may be used for correspondence with the  
 31 assignee about the debt and payment thereof; [(2)] (B) the earliest and  
 32 latest dates by which the assignee shall commence any foreclosure or  
 33 suit on the debt or the manner for determining such dates, except as may  
 34 be impacted by any payment arrangement, bankruptcy petition or other  
 35 circumstance, provided in no event shall the assignee commence a  
 36 foreclosure suit before one year has elapsed since the assignee's  
 37 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees  
 38 that the assignee may claim against the owner or owners of such real  
 39 property in any foreclosure, suit on the debt or otherwise, and a  
 40 prohibition from using as foreclosure counsel any attorney or law office  
 41 that is owned by, employs or contracts with any person having an  
 42 interest in such assignee; [(4)] (D) confirmation that the owner of the real  
 43 property for which the lien has been filed shall be a third-party  
 44 beneficiary entitled to enforce the covenants and responsibilities of the  
 45 assignee as contained in the contract; [(5)] (E) a prohibition on the  
 46 assignee assigning the lien without the municipality's prior written  
 47 consent; [(6)] (F) the detail and frequency of reports provided to the  
 48 municipality's tax collector regarding the status of the assigned liens;

49 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to  
 50 section 31-57b, to be assigned the lien because of occupational safety and  
 51 health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved and  
 52 pending arbitrations and litigation matters in which the assignee or any  
 53 of its principals have been involved within the last ten years, except  
 54 foreclosure actions involving liens purchased from or assigned by  
 55 governmental entities, [(B)] (ii) all criminal proceedings that the  
 56 assignee or any of its principals has ever been the subject, [(C)] (iii) any  
 57 interest in the subject property held by the assignee or any of its  
 58 principals, officers or agents, and [(D)] (iv) each instance in which the  
 59 assignee or any of its principals was found to have violated any state or  
 60 local ethics law, regulation, ordinance, code, policy or standard, or to  
 61 have committed any other offense arising out of the submission of  
 62 proposals or bids or the performance of work on public contract; and  
 63 [(9)] (I) such additional terms to which the municipality and the assignee  
 64 mutually agree, consistent with applicable law.

65 (2) No such assignment executed on or after July 1, 2026, shall be valid  
 66 or enforceable unless such assignment is memorialized in a written  
 67 contract that: (A) Is executed by the municipality and the assignee; (B)  
 68 includes a requirement that no attorney's fees shall be received, claimed  
 69 or collected until the commencement of a foreclosure or suit on the debt;  
 70 and (C) includes the provisions set forth in subparagraphs (A) to (I),  
 71 inclusive, of subdivision (1) of this subsection.

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

82 (e) Not less than sixty days prior to commencing an action to foreclose  
83 a lien under this section, the assignee shall provide a written notice, by  
84 first-class mail, to the holders of all first or second security interests on  
85 the property subject to the lien that were recorded before the date the  
86 assessment the lien sought to be enforced became delinquent. Such  
87 notice shall set forth: (1) The amount of unpaid debt owed to the  
88 assignee as of the date of the notice; (2) the amount of any attorney's fees  
89 and costs incurred by the assignee in the enforcement of the lien as of  
90 the date of the notice; (3) a statement of the assignee's intention to  
91 foreclose the lien if the amounts set forth pursuant to subdivisions (1)  
92 and (2) of this subsection are not paid to the assignee on or before sixty  
93 days after the date the notice is provided; (4) the assignee's contact  
94 information, including, but not limited to, the assignee's name, mailing  
95 address, telephone number and electronic mail address, if any; and (5)  
96 instructions concerning the acceptable means of making a payment on  
97 the amounts owed to the assignee as set forth pursuant to subdivisions  
98 (1) and (2) of this subsection. Any notice required under this subsection  
99 shall be effective upon the date 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 which  
105 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] attorney's fees,  
109 method, advertising, time, date, place and terms, shall be commercially  
110 reasonable, and, for actions commenced on or after July 1, 2026, 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, 2025*):

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 assessment.

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

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

139 (d) The assignee or assignees of such liens shall have and possess the  
140 same powers and rights at law or in equity as such municipality and  
141 municipality's tax collector would have had if the lien had not been  
142 assigned with regard to the precedence and priority of such lien, the  
143 accrual of interest and the fees and expenses of collection, except that  
144 any such assignee; (1) [~~shall~~] Shall not be insulated from liability by

145 virtue of the provisions of section 42-110c; ~~[(1)]~~ and (2) shall be obligated  
 146 to provide a payoff statement, as defined in section 49-8a, in the same  
 147 manner as a mortgagee in accordance with the requirements of section  
 148 49-10a. The assignee shall have the same rights to enforce such liens as  
 149 any private party holding a lien on real property, including, but not  
 150 limited to, foreclosure and a suit on the debt.

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

178 pending arbitrations and litigation matters in which the assignee or any  
 179 of its principals have been involved within the last ten years, except  
 180 foreclosure actions involving liens purchased from or assigned by  
 181 governmental entities, [(B)] (ii) all criminal proceedings that the  
 182 assignee or any of its principals has ever been the subject, [(C)] (iii) any  
 183 interest in the subject property held by the assignee or any of its  
 184 principals, officers or agents, and [(D)] (iv) each instance in which the  
 185 assignee or any of its principals was found to have violated any state or  
 186 local ethics law, regulation, ordinance, code, policy or standard, or to  
 187 have committed any other offense arising out of the submission of  
 188 proposals or bids or the performance of work on public contract; and  
 189 [(9)] (I) such additional terms to which the municipality and the assignee  
 190 mutually agree, consistent with applicable law.

191 (2) No such assignment executed on or after July 1, 2026, shall be valid  
 192 or enforceable unless such assignment is memorialized in a written  
 193 contract that: (A) Is executed by the authority and the assignee; (B)  
 194 includes a requirement that no attorney's fees shall be received, claimed  
 195 or collected until the commencement of a foreclosure or suit on the debt;  
 196 and (C) includes the provisions set forth in subparagraphs (A) to (I),  
 197 inclusive, of subdivision (1) of this subsection.

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

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

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

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

(i) Each aspect of a foreclosure, sale or other disposition under this section, including, but not limited to, the costs, [attorney] attorney's fees, method, advertising, time, date, place and terms, shall be commercially reasonable, and, for actions commenced on or after July 1, 2026, such attorney's fees shall not exceed fifteen per cent of the amount of any judgment that is entered.

Sec. 3. Section 7-258 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2025*):



242 (a) Any charge for connection with or for the use of a sewerage  
 243 system, not paid within thirty days of the due date, shall thereupon be  
 244 delinquent and shall bear interest from the due date at the rate and in  
 245 the manner provided by the general statutes for delinquent property  
 246 taxes. Each addition of interest shall be collectible as a part of such  
 247 connection or use charge. Any such unpaid connection or use charge  
 248 shall constitute a lien upon the real estate against which such charge was  
 249 levied from the date [it] such charge became delinquent. Each such lien  
 250 may be continued, recorded and released in the manner provided by the  
 251 general statutes for continuing, recording and releasing property tax  
 252 liens. Each such lien shall take precedence over all other liens and  
 253 encumbrances except taxes and may be foreclosed in the same manner  
 254 as a lien for property taxes. The municipality may by ordinance  
 255 designate the tax collector or any other person as collector of sewerage  
 256 system connection and use charges and such collector of sewerage  
 257 system connection and use charges may collect such charges in  
 258 accordance with the provisions of the general statutes for the collection  
 259 of property taxes. The municipality may recover any such charges in a  
 260 civil action against any person liable therefor. For the purpose of  
 261 establishing or revising such connection or use charges and for the  
 262 purpose of collecting such charges, any municipality may enter into  
 263 agreements with any water company or municipal water department  
 264 furnishing water in such municipality for the purchase from such water  
 265 company or municipal water department of information or services, and  
 266 such agreement may designate such water company or municipal water  
 267 department as a billing or collecting agent of the collector of sewerage  
 268 system connection and use charges in the municipality. Any water  
 269 company or municipal water department may enter into and fulfill any  
 270 such agreements and may utilize for the collection of such charges any  
 271 of the methods utilized by [it] such water company or municipal water  
 272 department for the collection of its water charges.

273 (b) Any municipality, by resolution of its legislative body, may  
 274 assign, for consideration, any and all liens filed by the tax collector or

275 collector of sewerage system connection and use charges to secure  
276 unpaid sewerage connection and use charges as provided under the  
277 provisions of this chapter. The consideration received by the  
278 municipality shall be negotiated between the municipality and the  
279 assignee.

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

292 (d) ~~(1)~~ No such assignment executed on or after July 1, 2022, shall be  
293 valid or enforceable unless memorialized in a contract executed by the  
294 authority and the assignee that is in writing and provides: ~~[(1)]~~ (A) The  
295 manner in which the assignee will provide to the owner of the real  
296 property that is the subject of the assignment one or more addresses and  
297 telephone numbers that may be used for correspondence with the  
298 assignee about the debt and payment thereof; ~~[(2)]~~ (B) the earliest and  
299 latest dates by which the assignee shall commence any foreclosure or  
300 suit on the debt or the manner for determining such dates, except as may  
301 be impacted by any payment arrangement, bankruptcy petition or other  
302 circumstance, provided in no event shall the assignee commence a  
303 foreclosure suit before one year has elapsed since the assignee's  
304 purchase of the lien; ~~[(3)]~~ (C) the structure and rates of attorney's fees  
305 that the assignee may claim against the owner or owners of such real  
306 property in any foreclosure, suit on the debt or otherwise, and a  
307 prohibition from using as foreclosure counsel any attorney or law office

308 that is owned by, employs or contracts with any person having an  
 309 interest in such assignee; [(4)] (D) confirmation that the owner of the real  
 310 property for which the lien has been filed shall be a third-party  
 311 beneficiary entitled to enforce the covenants and responsibilities of the  
 312 assignee as contained in the contract; [(5)] (E) a prohibition on the  
 313 assignee assigning the lien without the municipality's prior written  
 314 consent; [(6)] (F) the detail and frequency of reports provided to the  
 315 municipality's tax collector regarding the status of the assigned liens;  
 316 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to  
 317 section 31-57b, to be assigned the lien because of occupational safety and  
 318 health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved and  
 319 pending arbitrations and litigation matters in which the assignee or any  
 320 of its principals have been involved within the last ten years, except  
 321 foreclosure actions involving liens purchased from or assigned by  
 322 governmental entities, [(B)] (ii) all criminal proceedings that the  
 323 assignee or any of its principals has ever been the subject, [(C)] (iii) any  
 324 interest in the subject property held by the assignee or any of its  
 325 principals, officers or agents, and [(D)] (iv) each instance in which the  
 326 assignee or any of its principals was found to have violated any state or  
 327 local ethics law, regulation, ordinance, code, policy or standard, or to  
 328 have committed any other offense arising out of the submission of  
 329 proposals or bids or the performance of work on public contract; and  
 330 [(9)] (I) such additional terms to which the municipality and the assignee  
 331 mutually agree consistent with applicable law.

332 (2) No such assignment executed on or after July 1, 2026, shall be valid  
 333 or enforceable unless such assignment is memorialized in a written  
 334 contract that: (A) Is executed by the authority and the assignee; (B)  
 335 includes a requirement that no attorney's fees shall be received, claimed  
 336 or collected until the commencement of a foreclosure or suit on the debt;  
 337 and (C) includes the provisions set forth in subparagraphs (A) to (I),  
 338 inclusive, of subdivision (1) of this subsection.

339 (e) The assignee, or any subsequent assignee, shall provide written  
 340 notice of an assignment, not later than sixty days after the date of such

341 assignment, to the owner and any holder of a mortgage on the real  
342 property that is the subject of the assignment, provided such owner or  
343 holder is of record as of the date of such assignment. Such notice shall  
344 include information sufficient to identify: (1) [the] The property that is  
345 subject to the lien and in which the holder has an interest; [,] (2) the name  
346 and addresses of the assignee; [,] and (3) the amount of unpaid taxes,  
347 interest and fees being assigned relative to the subject property as of the  
348 date of the assignment.

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

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

374 (h) Each aspect of a foreclosure, sale or other disposition under this  
 375 section, including, but not limited to, the costs, [attorney] attorney's fees,  
 376 method, advertising, time, date, place and terms, shall be commercially  
 377 reasonable, and, for actions commenced on or after July 1, 2026, such  
 378 attorney's fees shall not exceed fifteen per cent of the amount of any  
 379 judgment that is entered.

380 Sec. 4. Section 7-239 of the general statutes is repealed and the  
 381 following is substituted in lieu thereof (*Effective October 1, 2025*):

382 (a) The legislative body shall establish just and equitable rates or  
 383 charges for the use of the waterworks system authorized in this  
 384 subsection, to be paid by the owner of each lot or building which is  
 385 connected with and uses such system, and may change such rates or  
 386 charges from time to time. Such rates or charges shall be sufficient in  
 387 each year for the payment of the expense of operation, repair,  
 388 [replacements] replacement and maintenance of such system and for the  
 389 payment of the sums in this subsection required to be paid into the  
 390 sinking fund. In establishing such rates or charges, the legislative body  
 391 shall consider measures that promote water conservation and reduce  
 392 the demand on the state's water and energy resources. Such rates or  
 393 charges may include: (1) Demand projections that recognize the effects  
 394 of conservation; [ ] (2) implementation of metering and measures to  
 395 provide timely price signals to consumers; [ ] (3) multiyear rate plans; [ ]  
 396 (4) measures to reduce system water losses; [ ] and (5) alternative rate  
 397 designs that promote conservation. No such rate or charge shall be  
 398 established until after a public hearing at which all the users of the  
 399 waterworks system and the owners of property served or to be served  
 400 and others interested shall have an opportunity to be heard concerning  
 401 such proposed rate or charge. Notice of such hearing shall be given, at  
 402 least ten days before the date set therefor, in a newspaper having a  
 403 circulation in such municipality. Such notice shall set forth a schedule  
 404 of rates or charges, and a copy of the schedule of rates or charges  
 405 established shall be kept on file in the office of the legislative body and  
 406 in the office of the clerk of the municipality, and shall be open to

407 inspection by the public. The rates or charges so established for any class  
408 of users or property served shall be extended to cover any additional  
409 premises thereafter served which are within the same class, without the  
410 necessity of a hearing thereon. Any change in such rates or charges may  
411 be made in the same manner in which they were established, provided,  
412 if any change is made substantially pro rata as to all classes of service,  
413 no hearing shall be required. The provisions of this section shall not  
414 apply to the sale of bottled water.

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

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

438 (d) The assignee or assignees of such liens shall have and possess the

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

451 (e) ~~(1)~~ No such assignment executed on or after July 1, 2022, shall be  
 452 valid or enforceable unless memorialized in a contract executed by the  
 453 authority and the assignee that is in writing and provides: ~~[(1)]~~ ~~(A)~~ The  
 454 manner in which the assignee will provide to the owner of the real  
 455 property that is the subject of the assignment one or more addresses and  
 456 telephone numbers that may be used for correspondence with the  
 457 assignee about the debt and payment thereof; ~~[(2)]~~ ~~(B)~~ the earliest and  
 458 latest dates by which the assignee shall commence any foreclosure or  
 459 suit on the debt or the manner for determining such dates, except as may  
 460 be impacted by any payment arrangement, bankruptcy petition or other  
 461 circumstance, provided in no event shall the assignee commence a  
 462 foreclosure suit before one year has elapsed since the assignee's  
 463 purchase of the lien; ~~[(3)]~~ ~~(C)~~ the structure and rates of attorney's fees  
 464 that the assignee may claim against the owner or owners of such real  
 465 property in any foreclosure, suit on the debt or otherwise, and a  
 466 prohibition from using as foreclosure counsel any attorney or law office  
 467 that is owned by, employs or contracts with any person having an  
 468 interest in such assignee; ~~[(4)]~~ ~~(D)~~ confirmation that the owner of the real  
 469 property for which the lien has been filed shall be a third-party  
 470 beneficiary entitled to enforce the covenants and responsibilities of the  
 471 assignee as contained in the contract; ~~[(5)]~~ ~~(E)~~ a prohibition on the

472 assignee assigning the lien without the municipality's prior written  
 473 consent; ~~[(6)]~~ (F) the detail and frequency of reports provided to the  
 474 municipality's tax collector regarding the status of the assigned liens;  
 475 ~~[(7)]~~ (G) confirmation that the assignee is not ineligible, pursuant to  
 476 section 31-57b, to be assigned the lien because of occupational safety and  
 477 health law violations; ~~[(8)]~~ (H) disclosure of ~~[(A)]~~ (i) all resolved and  
 478 pending arbitrations and litigation matters in which the assignee or any  
 479 of its principals have been involved within the last ten years, except  
 480 foreclosure actions involving liens purchased from or assigned by  
 481 governmental entities, ~~[(B)]~~ (ii) all criminal proceedings that the  
 482 assignee or any of its principals has ever been the subject, ~~[(C)]~~ (iii) any  
 483 interest in the subject property held by the assignee or any of its  
 484 principals, officers or agents, and ~~[(D)]~~ (iv) each instance in which the  
 485 assignee or any of its principals was found to have violated any state or  
 486 local ethics law, regulation, ordinance, code, policy or standard, or to  
 487 have committed any other offense arising out of the submission of  
 488 proposals or bids or the performance of work on public contract; and  
 489 ~~[(9)]~~ (I) such additional terms to which the municipality and the assignee  
 490 mutually agree consistent with applicable law.

491 (2) No such assignment executed on or after July 1, 2026, shall be valid  
 492 or enforceable unless such assignment is memorialized in a written  
 493 contract that: (A) Is executed by the authority and the assignee; (B)  
 494 includes a requirement that no attorney's fees shall be received, claimed  
 495 or collected until the commencement of a foreclosure or suit on the debt;  
 496 and (C) includes the provisions set forth in subparagraphs (A) to (I),  
 497 inclusive, of subdivision (1) of this subsection.

498 (f) The assignee, or any subsequent assignee, shall provide written  
 499 notice of an assignment, not later than sixty days after the date of such  
 500 assignment, to the owner and any holder of a mortgage on the real  
 501 property that is the subject of the assignment, provided such owner or  
 502 holder is of record as of the date of such assignment. Such notice shall  
 503 include information sufficient to identify: (1) ~~[the]~~ The property that is  
 504 subject to the lien and in which the holder has an interest; ~~[,]~~ (2) the name



505 and addresses of the assignee; [ ] and (3) the amount of unpaid taxes,  
506 interest and fees being assigned relative to the subject property as of the  
507 date of the assignment.

508 (g) Not less than sixty days prior to commencing an action to  
509 foreclose a lien under this section, the assignee shall provide a written  
510 notice, by first-class mail, to the holders of all first or second security  
511 interests on the property subject to the lien that were recorded before  
512 the date the assessment of the lien sought to be enforced became  
513 delinquent. Such notice shall set forth: (1) The amount of unpaid debt  
514 owed to the assignee as of the date of the notice; (2) the amount of any  
515 attorney's fees and costs incurred by the assignee in the enforcement of  
516 the lien as of the date of the notice; (3) a statement of the assignee's  
517 intention to foreclose the lien if the amounts set forth pursuant to  
518 subdivisions (1) and (2) of this subsection are not paid to the assignee  
519 on or before sixty days after the date the notice is provided; (4) the  
520 assignee's contact information, including, but not limited to, the  
521 assignee's name, mailing address, telephone number and electronic mail  
522 address, if any; and (5) instructions concerning the acceptable means of  
523 making a payment on the amounts owed to the assignee as set forth  
524 pursuant to subdivisions (1) and (2) of this subsection. Any notice  
525 required under this subsection shall be effective upon the date such  
526 notice is provided.

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

534 (i) Each aspect of a foreclosure, sale or other disposition under this  
535 section, including, but not limited to, the costs, [attorney] attorney's fees,  
536 method, advertising, time, date, place and terms, shall be commercially

537 reasonable, and, for actions commenced on or after July 1, 2026, such  
 538 attorney's fees shall not exceed fifteen per cent of the amount of any  
 539 judgment that is entered. Costs and reasonable [attorneys'] attorney's  
 540 fees incurred by the assignee as a result of any foreclosure action or  
 541 other legal proceeding brought pursuant to this section and directly  
 542 related to the proceeding shall be taxed in any such proceeding against  
 543 each person having title to any property subject to the proceedings. Such  
 544 costs and fees may be collected by the assignee at any time after demand  
 545 for payment has been made by the assignee.

546 (j) The amount of any such rate or charge which remains due and  
 547 unpaid for thirty days may, with reasonable [attorneys'] attorney's fees,  
 548 be recovered by the legislative body in a civil action in the name of the  
 549 municipality against such owners. For civil actions commenced on or  
 550 after July 1, 2026, such attorney's fees shall not exceed fifteen per cent of  
 551 the amount of any judgment that is entered. The municipality shall be  
 552 subject to the same rates or charges under the same conditions as other  
 553 users of such waterworks system.

554 Sec. 5. Section 49-92o of the general statutes is repealed and the  
 555 following is substituted in lieu thereof (*Effective October 1, 2025*):

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

562 (b) The assignee or assignees of such liens shall have and possess the  
 563 same powers and rights at law or in equity as such authority would have  
 564 had if the lien had not been assigned with regard to the precedence and  
 565 priority of such lien, the accrual of interest and the fees and expenses of  
 566 collection, except that any such assignee: (1) [shall] Shall not be  
 567 insulated from liability by section 42-110c; [.] and (2) shall be obligated

568 to provide a payoff statement, as defined in section 49-8a, in the same  
569 manner as a mortgagee in accordance with the requirements of section  
570 49-10a. The assignee shall have the same rights to enforce such liens as  
571 any private party holding a lien on real property, including, but not  
572 limited to, foreclosure and a suit on the debt.

573 (c) (1) No such assignment executed on or after July 1, 2022, shall be  
574 valid or enforceable unless memorialized in a contract executed by the  
575 authority and the assignee that is in writing and provides: [(1)] (A) The  
576 manner in which the assignee will provide to the owner of the real  
577 property that is the subject of the assignment one or more addresses and  
578 telephone numbers that may be used for correspondence with the  
579 assignee about the debt and payment thereof; [(2)] (B) the earliest and  
580 latest dates by which the assignee shall commence any foreclosure or  
581 suit on the debt or the manner for determining such dates, except as may  
582 be impacted by any payment arrangement, bankruptcy petition or other  
583 circumstance, provided in no event shall the assignee commence a  
584 foreclosure suit before one year has elapsed since the assignee's  
585 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees  
586 that the assignee may claim against the owner or owners of such real  
587 property in any foreclosure, suit on the debt or otherwise, and a  
588 prohibition from using as foreclosure counsel any attorney or law office  
589 that is owned by, employs or contracts with any person having an  
590 interest in such assignee; [(4)] (D) confirmation that the owner of the real  
591 property for which the lien has been filed shall be a third-party  
592 beneficiary entitled to enforce the covenants and responsibilities of the  
593 assignee as contained in the contract; [(5)] (E) a prohibition on the  
594 assignee assigning the lien without the municipality's prior written  
595 consent; [(6)] (F) the detail and frequency of reports provided to the  
596 municipality's tax collector regarding the status of the assigned liens;  
597 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to  
598 section 31-57b, to be assigned the lien because of occupational safety and  
599 health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved and  
600 pending arbitrations and litigation matters in which the assignee or any

601 of its principals have been involved within the last ten years, except  
 602 foreclosure actions involving liens purchased from or assigned by  
 603 governmental entities, [(B)] (ii) all criminal proceedings that the  
 604 assignee or any of its principals has ever been the subject, [(C)] (iii) any  
 605 interest in the subject property held by the assignee or any of its  
 606 principals, officers or agents, and [(D)] (iv) each instance in which the  
 607 assignee or any of its principals was found to have violated any state or  
 608 local ethics law, regulation, ordinance, code, policy or standard, or to  
 609 have committed any other offense arising out of the submission of  
 610 proposals or bids or the performance of work on public contract; and  
 611 [(9)] (I) such additional terms to which the municipality and the assignee  
 612 mutually agree consistent with applicable law.

613 (2) No such assignment executed on or after July 1, 2026, shall be valid  
 614 or enforceable unless such assignment is memorialized in a written  
 615 contract that: (A) Is executed by the authority and the assignee; (B)  
 616 includes a requirement that no attorney's fees shall be received, claimed  
 617 or collected until the commencement of a foreclosure or suit on the debt;  
 618 and (C) includes the provisions set forth in subparagraphs (A) to (I),  
 619 inclusive, of subdivision (1) of this subsection.

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

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

633 interests on the property subject to the lien that were recorded before  
634 the date the assessment of such lien became delinquent. Such notice  
635 shall set forth: (1) The amount of unpaid debt owed to the assignee as of  
636 the date of the notice; (2) the amount of any attorney's fees and costs  
637 incurred by the assignee in the enforcement of the lien as of the date of  
638 the notice; (3) a statement of the assignee's intention to foreclose the lien  
639 if the amounts set forth pursuant to subdivisions (1) and (2) of this  
640 subsection are not paid to the assignee on or before sixty days after the  
641 date the notice is provided; (4) the assignee's contact information,  
642 including, but not limited to, the assignee's name, mailing address,  
643 telephone number and electronic mail address, if any; and (5)  
644 instructions concerning the acceptable means of making a payment on  
645 the amounts owed to the assignee as set forth pursuant to subdivisions  
646 (1) and (2) of this subsection. Any notice required under this subsection  
647 shall be effective upon the date such notice is provided.

648 (f) When providing the written notice required under subsection (e)  
649 of this section, the assignee may rely on the last recorded security  
650 interest of record in identifying the name and mailing address of the  
651 holder of such interest, unless the holder of such interest is the plaintiff  
652 in an action pending in Superior Court to enforce such interest, in which  
653 case the assignee shall provide the written notice to the attorney  
654 appearing on behalf of the plaintiff.

655 (g) Each aspect of a foreclosure, sale or other disposition under this  
656 section, including, but not limited to, the costs, [attorney] attorney's fees,  
657 method, advertising, time, date, place and terms, shall be commercially  
658 reasonable, and, for actions commenced on or after July 1, 2026, such  
659 attorney's fees shall not exceed fifteen per cent of the amount of any  
660 judgment that is entered. Costs and reasonable [attorneys'] attorney's  
661 fees incurred by the assignee as a result of any foreclosure action or  
662 other legal proceeding brought pursuant to this section and directly  
663 related to the proceeding shall be taxed in any such proceeding against  
664 each person having title to any property subject to the proceedings. Such  
665 costs [and fees] may be collected by the assignee at any time after

666 demand for payment has been made by the assignee.

667 Sec. 6. Section 49-92p of the general statutes is repealed and the  
668 following is substituted in lieu thereof (*Effective October 1, 2025*):

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

675 (b) The assignee or assignees of such liens shall have and possess the  
676 same powers and rights at law or in equity as such authority would have  
677 had if the lien had not been assigned with regard to the precedence and  
678 priority of such lien, the accrual of interest and the fees and expenses of  
679 collection, except that such assignee: (1) [shall] Shall not be insulated  
680 from liability for its conduct by virtue of the provisions of section 42-  
681 110c; [ ] and (2) shall be obligated to provide a payoff statement, as  
682 defined in section 49-8a, in the same manner as a mortgagee in  
683 accordance with the requirements of section 49-10a. The assignee shall  
684 have the same rights to enforce such liens as any private party holding  
685 a lien on real property, including, but not limited to, foreclosure and a  
686 suit on the debt.

687 (c) (1) No such assignment executed on or after July 1, 2022, shall be  
688 valid or enforceable unless memorialized in a contract executed by the  
689 authority and the assignee that is in writing and provides: [(1)] (A) The  
690 manner in which the assignee will provide to the owner of the real  
691 property that is the subject of the assignment one or more addresses and  
692 telephone numbers that may be used for correspondence with the  
693 assignee about the debt and payment thereof; [(2)] (B) the earliest and  
694 latest dates by which the assignee shall commence any foreclosure or  
695 suit on the debt or the manner for determining such dates, except as may  
696 be impacted by any payment arrangement, bankruptcy petition or other

697 circumstance, provided in no event shall the assignee commence a  
 698 foreclosure suit before one year has elapsed since the assignee's  
 699 purchase of the lien; [(3)] (C) the structure and rates of attorney's fees  
 700 that the assignee may claim against the owner or owners of such real  
 701 property in any foreclosure, suit on the debt or otherwise, and a  
 702 prohibition from using as foreclosure counsel any attorney or law office  
 703 that is owned by, employs or contracts [having] with any person [with]  
 704 having an interest in such assignee; [(4)] (D) confirmation that the owner  
 705 of the real property for which the lien has been filed shall be a third-  
 706 party beneficiary entitled to enforce the covenants and responsibilities  
 707 of the assignee as contained in the contract; [(5)] (E) a prohibition on the  
 708 assignee assigning the lien without the municipality's prior written  
 709 consent; [(6)] (F) the detail and frequency of reports provided to the  
 710 municipality's tax collector regarding the status of the assigned liens;  
 711 [(7)] (G) confirmation that the assignee is not ineligible, pursuant to  
 712 section 31-57b, to be assigned the lien because of occupational safety and  
 713 health law violations; [(8)] (H) disclosure of [(A)] (i) all resolved and  
 714 pending arbitrations and litigation matters in which the assignee or any  
 715 of its principals have been involved within the last ten years, except  
 716 foreclosure actions involving liens purchased from or assigned by  
 717 governmental entities, [(B)] (ii) all criminal proceedings that the  
 718 assignee or any of its principals has ever been the subject, [(C)] (iii) any  
 719 interest in the subject property held by the assignee or any of its  
 720 principals, officers or agents, and [(D)] (iv) each instance in which the  
 721 assignee or any of its principals was found to have violated any state or  
 722 local ethics law, regulation, ordinance, code, policy or standard, or to  
 723 have committed any other offense arising out of the submission of  
 724 proposals or bids or the performance of work on public contract; and  
 725 [(9)] (I) such additional terms to which the municipality and the assignee  
 726 mutually agree consistent with applicable law.

727 (2) No such assignment executed on or after July 1, 2026, shall be valid  
 728 or enforceable unless such assignment is memorialized in a written  
 729 contract that: (A) Is executed by the authority and the assignee; (B)

730 includes a requirement that no attorney's fees shall be received, claimed  
731 or collected until the commencement of a foreclosure or suit on the debt;  
732 and (C) includes the provisions set forth in subparagraphs (A) to (I),  
733 inclusive, of subdivision (1) of this subsection.

734 (d) The assignee, or any subsequent assignee, shall provide written  
735 notice of an assignment, not later than sixty days after the date of such  
736 assignment, to the owner and any holder of a mortgage on the real  
737 property that is the subject of the assignment, provided such owner or  
738 holder is of record as of the date of such assignment. Such notice shall  
739 include information sufficient to identify: (1) ~~[the]~~ The property that is  
740 subject to the lien and in which the holder has an interest; ~~[ ]~~ (2) the name  
741 and addresses of the assignee; ~~[ ]~~ and (3) the amount of unpaid taxes,  
742 interest and fees being assigned relative to the subject property as of the  
743 date of the assignment.

744 (e) Not less than sixty days prior to commencing an action to foreclose  
745 a lien under this section, the assignee shall provide a written notice, by  
746 first-class mail to the holders of all first or second security interests on  
747 the property subject to the lien that were recorded before the date the  
748 assessment of the lien sought to be enforced became delinquent. Such  
749 notice shall set forth: (1) The amount of unpaid debt owed to the  
750 assignee as of the date of the notice; (2) the amount of any attorney's fees  
751 and costs incurred by the assignee in the enforcement of the lien as of  
752 the date of the notice; (3) a statement of the assignee's intention to  
753 foreclose the lien if the amounts set forth pursuant to subdivisions (1)  
754 and (2) of this subsection are not paid to the assignee on or before sixty  
755 days after the date the notice is provided; (4) the assignee's contact  
756 information, including, but not limited to, the assignee's name, mailing  
757 address, telephone number and electronic mail address, if any; and (5)  
758 instructions concerning the acceptable means of making a payment on  
759 the amounts owed to the assignee as set forth pursuant to subdivisions  
760 (1) and (2) of this subsection. Any notice required under this subsection  
761 shall be effective upon the date such notice is provided.



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

769 (g) Each aspect of a foreclosure, sale or other disposition under this  
 770 section, including, but not limited to, the costs, [attorney] attorney's fees,  
 771 method, advertising, time, date, place and terms, shall be commercially  
 772 reasonable, and, for actions commenced on or after July 1, 2026, such  
 773 attorney's fees shall not exceed fifteen per cent of the amount of any  
 774 judgment that is entered. Costs and reasonable [attorneys'] attorney's  
 775 fees incurred by the assignee as a result of any foreclosure action or  
 776 other legal proceeding brought pursuant to this section and directly  
 777 related to the proceeding shall be taxed in any such proceeding against  
 778 each person having title to any property subject to the proceedings. Such  
 779 costs [and fees] may be collected by the assignee at any time after  
 780 demand for 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, 2025</i>	12-195h
Sec. 2	<i>October 1, 2025</i>	7-254
Sec. 3	<i>October 1, 2025</i>	7-258
Sec. 4	<i>October 1, 2025</i>	7-239
Sec. 5	<i>October 1, 2025</i>	49-92o
Sec. 6	<i>October 1, 2025</i>	49-92p

**Statement of Purpose:**

To (1) reduce the interest rate for certain municipal tax liens, and (2) provide that certain attorney's fees (A) may not be received, claimed or collected until commencement of a foreclosure action or a suit on the debt, and (B) shall not be more than fifteen per cent of the amount of any judgment.

***[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.]***