



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 Section 12-195h of the general statutes is repealed and the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; [.] 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
 210 notice, by first-class mail, to the holders of all first or second security
 211 interests on the property subject to the lien that were recorded before
 212 the date the assessment of the lien sought to be enforced became
 213 delinquent. Such notice shall set forth: (1) The amount of unpaid debt
 214 owed to the assignee as of the date of the notice; (2) the amount of any

215 attorney's fees and costs incurred by the assignee in the enforcement of
 216 the lien as of the date of the notice; (3) a statement of the assignee's
 217 intention to foreclose the lien if the amounts set forth pursuant to
 218 subdivisions (1) and (2) of this subsection are not paid to the assignee
 219 on or before sixty days after the date on which the notice is provided;
 220 (4) the assignee's contact information, including, but not limited to, the
 221 assignee's name, mailing address, telephone number and electronic mail
 222 address, if any; and (5) instructions concerning the acceptable means of
 223 making a payment on the amounts owed to the assignee as set forth
 224 pursuant to subdivisions (1) and (2) of this subsection. Any notice
 225 required under this subsection shall be effective upon the date such
 226 notice is provided.

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

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

240 Sec. 3. Section 7-258 of the general statutes is repealed and the
 241 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

BA *Joint Favorable*