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## OLR Bill Analysis

sSB 1187 (File 329, as amended by Senate "A")\*

### ***AN ACT CONCERNING FORECLOSURE, ASSIGNMENT AND OTHER ENFORCEMENT ACTIONS FOR UNPAID SEWER ASSESSMENTS AND OTHER FEES AND CHARGES.***

#### **SUMMARY**

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

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

1. municipal or regional WPCAs foreclosing liens for delinquent sewer assessments or connection or use charges (§§ 1-3),
2. regional WPCAs instituting a civil action to enforce liens for delinquent sewer assessments or connection or use charges (§ 3), and
3. municipal or regional WPCAs or regional sewer authorities assigning liens for delinquent assessments or use charges (§§ 1, 2 & 4).

For the regional entities, the principal amount of the liens for delinquent assessments and charges must be combined to determine whether they exceed the \$3,000 threshold. For the municipal WPCAs,

the threshold is calculated separately for assessments and charges.

By law, unchanged by the bill, the statute of limitations for sewer liens (like property tax liens) is generally 15 years (CGS § 12-175).

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

\*Senate Amendment “A” expands the bill’s prohibition on taking enforcement action on certain delinquent regional sewer assessments or connection or use charges to also prohibit taking any civil enforcement action, not just a foreclosure action.

## **BACKGROUND**

### ***Sewer Fees***

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

### ***Related Bills***

sSB 1316 (File 207), favorably reported by the Planning and Development Committee, reduces, from 18% to 12%, the annual interest rate on delinquent property taxes when a municipal tax collector files a lien on the property and assigns the lien.

SB 1339 (File 183), favorably reported by the Banking Committee, also reduces the interest rate on these assigned liens to 12% and, among other things, additionally caps certain attorney’s fees associated with them.

## **COMMITTEE ACTION**

Planning and Development Committee

Joint Favorable Substitute

Yea 13      Nay 7      (03/12/2025)