



Substitute Senate Bill No. 941

Public Act No. 21-143

**AN ACT CONCERNING THE ASSIGNMENT OF CERTAIN
PROPERTY, TAX, WATER AND SEWER LIENS.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

Section 1. Section 12-195h of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

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

(b) The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity [as such] that such municipality and municipality's tax collector would have had if the lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection and of preparing and recording the assignment, except that any such assignee (1) shall not be insulated from liability for its conduct by virtue of the provisions of section 42-110c, and (2) shall be obligated to provide a payoff statement, as defined in section 49-8a, in the same manner as a

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mortgagee in accordance with the requirements of section 49-10a. The assignee shall have the same rights to enforce such liens as any private party holding a lien on real property including, but not limited to, foreclosure and a suit on the debt.

(c) No such assignment executed on or after July 1, 2022, shall be valid or enforceable unless memorialized in a contract executed by the municipality and the assignee that is in writing and provides: (1) The manner in which the assignee will provide to the owner of the real property that is the subject of the assignment one or more addresses and telephone numbers that may be used for correspondence with the assignee about the debt and payment thereof; (2) the earliest and latest dates by which the assignee shall commence any foreclosure or suit on the debt or the manner for determining such dates, except as may be impacted by any payment arrangement, bankruptcy petition or other circumstance, provided in no event shall the assignee commence a foreclosure suit before one year has elapsed since the assignee's purchase of the lien; (3) the structure and rates of attorney's fees that the assignee may claim against the owner or owners of such real property in any foreclosure, suit on the debt or otherwise, and a prohibition from using as foreclosure counsel any attorney or law office that is owned by, employs or contracts with any person having an interest in such assignee; (4) confirmation that the owner of the real property for which the lien has been filed shall be a third-party beneficiary entitled to enforce the covenants and responsibilities of the assignee as contained in the contract; (5) a prohibition on the assignee assigning the lien without the municipality's prior written consent; (6) the detail and frequency of reports provided to the municipality's tax collector regarding the status of the assigned liens; (7) confirmation that the assignee is not ineligible, pursuant to section 31-57b, to be assigned the lien because of occupational safety and health law violations; (8) disclosure of (A) all resolved and pending arbitrations and litigation matters in which the assignee or any of its principals have been involved

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

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

(e) Not less than sixty days prior to commencing an action to 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 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)

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and (2) of this subsection are not paid to the assignee on or before sixty days after the date 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.

(f) When providing the written notice required under subsection (e) 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 the case the assignee shall provide the written notice to the attorney appearing on behalf of the plaintiff.

(g) Each aspect of a foreclosure, sale or other disposition under this section, including, but not limited to, the costs, attorney fees, method, advertising, time, date, place and terms, shall be commercially reasonable.

Sec. 2. Section 7-254 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

(a) Any assessment of benefits or any installment thereof, not paid within thirty days after the due date, shall be delinquent and shall be subject to interest from such due date at the interest rate and in the manner provided by the general statutes for delinquent property taxes. Each addition of interest shall be collectible as a part of such assessment.

(b) Whenever any installment of an assessment becomes delinquent, the interest on such delinquent installment shall be as provided in subsection (a) of this section or five dollars, whichever is greater. Any

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unpaid assessment and any interest due thereon shall constitute a lien upon the real estate against which the assessment was levied from the date of such levy. Each such lien may be continued, recorded and released in the manner provided by the general statutes for continuing, recording and releasing property tax liens. Each such lien shall take precedence over all other liens and encumbrances except taxes and may be enforced in the same manner as property tax liens. The tax collector of the municipality may collect such assessments in accordance with any mandatory provision of the general statutes for the collection of property taxes and the municipality may recover any such assessment in a civil action against any person liable therefor.

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

(d) The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity as such municipality and municipality's tax collector would have had if the lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection, except that any such assignee (1) shall not be insulated from liability by virtue of the provisions of section 42-110c, and (2) shall be obligated to provide a payoff statement, as defined in section 49-8a, in the same manner as a mortgagee in accordance with the requirements of section 49-10a. The assignee shall have the same rights to enforce such liens as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt. [Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to this section and directly related to the proceeding shall be taxed in any such proceeding against each

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person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.]

(e) No such assignment executed on or after July 1, 2022, shall be valid or enforceable unless memorialized in a contract executed by the authority and the assignee that is in writing and provides: (1) The manner in which the assignee will provide to the owner of the real property that is the subject of the assignment one or more addresses and telephone numbers that may be used for correspondence with the assignee about the debt and payment thereof; (2) the earliest and latest dates by which the assignee shall commence any foreclosure or suit on the debt or the manner for determining such dates, except as may be impacted by any payment arrangement, bankruptcy petition or other circumstance, provided in no event shall the assignee commence a foreclosure suit before one year has elapsed since the assignee's purchase of the lien; (3) the structure and rates of attorney's fees that the assignee may claim against the owner or owners of such real property in any foreclosure, suit on the debt or otherwise, and a prohibition from using as foreclosure counsel any attorney or law office that is owned by, employs or contracts with any person having an interest in such assignee; (4) confirmation that the owner of the real property for which the lien has been filed shall be a third-party beneficiary entitled to enforce the covenants and responsibilities of the assignee as contained in the contract; (5) a prohibition on the assignee assigning the lien without the municipality's prior written consent; (6) the detail and frequency of reports provided to the municipality's tax collector regarding the status of the assigned liens; (7) confirmation that the assignee is not ineligible, pursuant to section 31-57b, to be assigned the lien because of occupational safety and health law violations; (8) disclosure of (A) all resolved and pending arbitrations and litigation matters in which the assignee or any of its principals have been involved within the last ten years, except foreclosure actions involving liens

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purchased from or assigned by governmental entities, (B) all criminal proceedings that the assignee or any of its principals has ever been the subject, (C) any interest in the subject property held by the assignee or any of its principals, officers or agents, and (D) each instance in which the assignee or any of its principals was found to have violated any state or local ethics law, regulation, ordinance, code, policy or standard, or to have committed any other offense arising out of the submission of proposals or bids or the performance of work on public contract; and (9) such additional terms to which the municipality and the assignee mutually agree, consistent with applicable law.

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

(g) Not less than sixty days prior to commencing an action to 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

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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 fees, method, advertising, time, date, place and terms, shall be commercially reasonable.

Sec. 3. Section 7-258 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

(a) Any charge for connection with or for the use of a sewerage system, not paid within thirty days of the due date, shall thereupon be delinquent and shall bear interest from the due date at the rate and in the manner provided by the general statutes for delinquent property taxes. Each addition of interest shall be collectible as a part of such connection or use charge. Any such unpaid connection or use charge shall constitute a lien upon the real estate against which such charge was levied from the date it became delinquent. Each such lien may be continued, recorded and released in the manner provided by the general

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statutes for continuing, recording and releasing property tax liens. Each such lien shall take precedence over all other liens and encumbrances except taxes and may be foreclosed in the same manner as a lien for property taxes. The municipality may by ordinance designate the tax collector or any other person as collector of sewerage system connection and use charges and such collector of sewerage system connection and use charges may collect such charges in accordance with the provisions of the general statutes for the collection of property taxes. The municipality may recover any such charges in a civil action against any person liable therefor. For the purpose of establishing or revising such connection or use charges and for the purpose of collecting such charges any municipality may enter into agreements with any water company or municipal water department furnishing water in such municipality for the purchase from such water company or municipal water department of information or services and such agreement may designate such water company or municipal water department as a billing or collecting agent of the collector of sewerage system connection and use charges in the municipality. Any water company or municipal water department may enter into and fulfill any such agreements and may utilize for the collection of such charges any of the methods utilized by it for the collection of its water charges.

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

(c) The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity as such municipality and municipality's tax collector would have had if the lien had not been

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assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection, except that any such assignee (1) shall not be insulated from liability for its conduct by virtue of the provisions of section 42-110c, and (2) shall be obligated to provide a payoff statement, as defined in section 49-8a, in the same manner as a mortgagee in accordance with the requirements of section 49-10a. The assignee shall have the same rights to enforce such liens as any private party holding a lien on real property, including, but not limited to, foreclosure and a suit on the debt. [Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to this section and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.]

(d) No such assignment executed on or after July 1, 2022, shall be valid or enforceable unless memorialized in a contract executed by the authority and the assignee that is in writing and provides: (1) The manner in which the assignee will provide to the owner of the real property that is the subject of the assignment one or more addresses and telephone numbers that may be used for correspondence with the assignee about the debt and payment thereof; (2) the earliest and latest dates by which the assignee shall commence any foreclosure or suit on the debt or the manner for determining such dates, except as may be impacted by any payment arrangement, bankruptcy petition or other circumstance, provided in no event shall the assignee commence a foreclosure suit before one year has elapsed since the assignee's purchase of the lien; (3) the structure and rates of attorney's fees that the assignee may claim against the owner or owners of such real property in any foreclosure, suit on the debt or otherwise, and a prohibition from using as foreclosure counsel any attorney or law office that is owned by, employs or contracts with any person having an interest in such

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assignee; (4) confirmation that the owner of the real property for which the lien has been filed shall be a third-party beneficiary entitled to enforce the covenants and responsibilities of the assignee as contained in the contract; (5) a prohibition on the assignee assigning the lien without the municipality's prior written consent; (6) the detail and frequency of reports provided to the municipality's tax collector regarding the status of the assigned liens; (7) confirmation that the assignee is not ineligible, pursuant to section 31-57b, to be assigned the lien because of occupational safety and health law violations; (8) disclosure of (A) all resolved and pending arbitrations and litigation matters in which the assignee or any of its principals have been involved within the last ten years, except foreclosure actions involving liens purchased from or assigned by governmental entities, (B) all criminal proceedings that the assignee or any of its principals has ever been the subject, (C) any interest in the subject property held by the assignee or any of its principals, officers or agents, and (D) each instance in which the assignee or any of its principals was found to have violated any state or local ethics law, regulation, ordinance, code, policy or standard, or to have committed any other offense arising out of the submission of proposals or bids or the performance of work on public contract; and (9) such additional terms to which the municipality and the assignee mutually agree consistent with applicable law.

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

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(f) Not less than sixty days prior to commencing an action to 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 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.

(g) When providing the written notice required under subsection (f) 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.

(h) Each aspect of a foreclosure, sale or other disposition under this section, including, but not limited to, the costs, attorney fees, method, advertising, time, date, place and terms, shall be commercially reasonable.

Sec. 4. Section 7-239 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

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

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

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

(d) The assignee or assignees of such liens shall have and possess the same powers and rights at law or in equity as such municipality and municipality's tax collector would have had if the lien had not been assigned with regard to the precedence and priority of such lien, the accrual of interest and the fees and expenses of collection, except that any such assignee (1) shall not be insulated from liability for its conduct by virtue of the provisions of section 42-110c, and (2) any such assignee shall be obligated to provide a payoff statement, as defined in section

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

(e) No such assignment executed on or after July 1, 2022, shall be valid or enforceable unless memorialized in a contract executed by the authority and the assignee that is in writing and provides: (1) The manner in which the assignee will provide to the owner of the real property that is the subject of the assignment one or more addresses and telephone numbers that may be used for correspondence with the assignee about the debt and payment thereof; (2) the earliest and latest dates by which the assignee shall commence any foreclosure or suit on the debt or the manner for determining such dates, except as may be impacted by any payment arrangement, bankruptcy petition or other circumstance, provided in no event shall the assignee commence a foreclosure suit before one year has elapsed since the assignee's purchase of the lien; (3) the structure and rates of attorney's fees that the assignee may claim against the owner or owners of such real property in any foreclosure, suit on the debt or otherwise, and a prohibition from using as foreclosure counsel any attorney or law office that is owned by, employs or contracts with any person having an interest in such assignee; (4) confirmation that the owner of the real property for which the lien has been filed shall be a third-party beneficiary entitled to enforce the covenants and responsibilities of the assignee as contained in the contract; (5) a prohibition on the assignee assigning the lien without the municipality's prior written consent; (6) the detail and frequency of reports provided to the municipality's tax collector regarding the status of the assigned liens; (7) confirmation that the assignee is not ineligible, pursuant to section 31-57b, to be assigned the lien because of occupational safety and health law violations; (8) disclosure of (A) all resolved and pending arbitrations and litigation matters in which the assignee or any of its principals have been involved

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

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

(g) Not less than sixty days prior to commencing an action to 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

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subdivisions (1) and (2) of this subsection are not paid to the assignee on or before sixty days after the date 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 fees, method, advertising, time, date, place and terms, shall be commercially reasonable. Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to this section and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.

[(d)] (j) The amount of any such rate or charge which remains due and unpaid for thirty days may, with reasonable attorneys' fees, be recovered by the legislative body in a civil action in the name of the municipality against such owners. The municipality shall be subject to the same rates or charges under the same conditions as other users of

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such waterworks system.

Sec. 5. Section 49-92p of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

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

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

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

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

(d) The assignee, or any subsequent assignee, shall provide written notice of an assignment, not later than sixty days after the date of such assignment, to the owner and any holder of a mortgage on the real

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property that is the subject of the assignment, provided such owner or holder is of record as of the date of such assignment. Such notice shall include information sufficient to identify (1) the property that is subject to the lien and in which the holder has an interest, (2) the name and addresses of the assignee, and (3) the amount of unpaid taxes, interest and fees being assigned relative to the subject property as of the date of the assignment.

(e) Not less than sixty days prior to commencing an action to 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 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.

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

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appearing on behalf of the plaintiff.

(g) Each aspect of a foreclosure, sale or other disposition under this section, including, but not limited to, the costs, attorney fees, method, advertising, time, date, place and terms, shall be commercially reasonable. Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to this section and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.

Sec. 6. Section 49-92o of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2021*):

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

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

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(c) No such assignment executed on or after July 1, 2022, shall be valid or enforceable unless memorialized in a contract executed by the authority and the assignee that is in writing and provides: (1) The manner in which the assignee will provide to the owner of the real property that is the subject of the assignment one or more addresses and telephone numbers that may be used for correspondence with the assignee about the debt and payment thereof; (2) the earliest and latest dates by which the assignee shall commence any foreclosure or suit on the debt or the manner for determining such dates, except as may be impacted by any payment arrangement, bankruptcy petition or other circumstance, provided in no event shall the assignee commence a foreclosure suit before one year has elapsed since the assignee's purchase of the lien; (3) the structure and rates of attorney's fees that the assignee may claim against the owner or owners of such real property in any foreclosure, suit on the debt or otherwise, and a prohibition from using as foreclosure counsel any attorney or law office that is owned by, employs or contracts with any person having an interest in such assignee; (4) confirmation that the owner of the real property for which the lien has been filed shall be a third-party beneficiary entitled to enforce the covenants and responsibilities of the assignee as contained in the contract; (5) a prohibition on the assignee assigning the lien without the municipality's prior written consent; (6) the detail and frequency of reports provided to the municipality's tax collector regarding the status of the assigned liens; (7) confirmation that the assignee is not ineligible, pursuant to section 31-57b, to be assigned the lien because of occupational safety and health law violations; (8) disclosure of (A) all resolved and pending arbitrations and litigation matters in which the assignee or any of its principals have been involved within the last ten years, except foreclosure actions involving liens purchased from or assigned by governmental entities, (B) all criminal proceedings that the assignee or any of its principals has ever been the subject, (C) any interest in the subject property held by the assignee or any of its principals, officers or agents, and (D) each instance in which

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the assignee or any of its principals was found to have violated any state or local ethics law, regulation, ordinance, code, policy or standard, or to have committed any other offense arising out of the submission of proposals or bids or the performance of work on public contract; and (9) such additional terms to which the municipality and the assignee mutually agree consistent with applicable law.

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

(e) Not less than sixty days prior to commencing an action to foreclose a lien assigned 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 such lien 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 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

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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.

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

(g) Each aspect of a foreclosure, sale or other disposition under this section, including, but not limited to, the costs, attorney fees, method, advertising, time, date, place and terms, shall be commercially reasonable. Costs and reasonable attorneys' fees incurred by the assignee as a result of any foreclosure action or other legal proceeding brought pursuant to this section and directly related to the proceeding shall be taxed in any such proceeding against each person having title to any property subject to the proceedings. Such costs and fees may be collected by the assignee at any time after demand for payment has been made by the assignee.