



February 25, 2021

Proposed Bill No. 549, An Act Concerning Sewer Assessment Arrearage and Foreclosure

The Connecticut Association of Water Pollution Control Authorities (CAWPCA) and the Connecticut Water Environment Association (CTWEA) formally Connecticut Water Pollution Abatement Association) oppose adoption of this bill.

The bill, as proposed, prohibits foreclosure on owner-occupied residences as a result of sewer assessment arrearages less than \$10,000. We interpret this to apply to arrearage from non- payment of sewer user charges and or sewer assessments for sewer use, or sewer assessments from the cost of sewer construction. Publicly owned wastewater collection and treatment systems finance their operations by billing their customers for sewer service, and or collect a sewer assessment against the property. Since a wastewater utility is unable to disconnect delinquent customers (like water, gas, electric, telephone, cable, etc.) their only means of encouraging payment are to charge interest at the State statutory rate of 1.5% per month, and the imposition of liens on the property.

As a matter of last resort, the wastewater utility may begin foreclosure on the property to collect the amount due once the amount due passes a threshold set by the utility. It is rare that the foreclosure action results in the taking of the property. In almost all cases, however, it does result in the payment of the amount due, either by the property owner or the bank holding the mortgage on the property to avoid foreclosure. Raising the threshold to \$10,000 will restrict Connecticut wastewater utilities' ability to use foreclosure to collect customer debts that are long past due. At the average charge for sewer service in Connecticut of \$520 a year<sup>1</sup>, it would take approximately 9 years of non-payment of sewer user and interest charges to reach the proposed minimum threshold of \$10,000. This would impose a large financial burden on the wastewater utility. Both CAWPCA and CTWEA strongly advocate that each wastewater utility should set its own threshold for starting foreclosure.

Sincerely,

Ray Weaver CTWEA President

Retired Operator IV

The Connecticut Water Environment Association (CTWEA) is the local affiliate of the New England Environmental Association (NEWEA) and the Water Environmental Federation (WEF). The CTWEA represents Connecticut's 80+ Water Pollution Control Facilities and a network of over 500 certified operators serving more than 2,000,000 Connecticut residents.

Thomas V. Sgrøi, PE CAWPCA President

Director of Engineering Greater New Haven WPCA

The Connecticut Association of Water Pollution Control Authorities (CAWPCA) is a group of members dedicated to improving, enhancing knowledge and understanding the interests of publicly owned/operated WPCA's or wastewater management entities within the State of Connecticut. The CAWPCA represents its members as well as the 150+ Connecticut WPCAs serving more than 3,000,000 sewered and non-sewered residents.