

One major concern of NBC is the inequitable situation that delinquencies cause for paying customers. In short, the vast majority of ratepayers that pay their bills should not have to bear the burden of those that do not. Increased rates are a necessary consequence of allowing delinquent ratepayers off the hook. Likewise, preventing service providers from effectively collecting monies owed simply encourages further non-payment.

The NBC provides essential sewer services to all users of its facilities and prevents untreated sewage from flowing into Narragansett Bay. The costs associated with the provision of those services are equitably shared by its ratepayers. Elimination of the NBC's ability to collect unpaid balances through lien sale will directly impact the NBC's revenues and result in increased rates for all customers.

In the rare situation when a property is actually sold through an NBC lien sale, the property owner has 12 months *after* the sale takes place to pay the monies owed before the foreclosure process can occur. This is a significant period of time during which the property owner can figure out how to address their delinquency before jeopardizing their ownership interest in the property and before it can be taken by the purchaser. At the same time, the delinquent account is brought current and removed from the NBC's receivables.

NBC has not conducted lien sales during the pandemic. However, if that is a major concern of the sponsors, H 5269 could be easily amended to provide a stay of lien sales during a declared emergency. This would provide relief to defaulting property owners during troubling times, without having a long-term negative impact to the revenues of the NBC or other entities.

Thank you for allowing the NBC to comment on this proposed legislation. Should you wish to discuss this matter further or have any questions, please do not hesitate to contact me at 401-461-8848, extension 420.

Sincerely,

Jennifer J. Harrington, Esq.

Jennifer J. Harrington, Esquire
General Counsel, Legislative Liaison