

## **Connecticut Debt Collection Laws**

Submitted by Kenneth M. Rozich, Esq., Member, Jacobs and Rozich, L.L.C.  
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*The law firm of Jacobs & Rozich, LLC has more than 35 years of practice between the principals, Attorney Edward D. Jacobs and Attorney Kenneth M. Rozich, and has extensive experience in litigating cases involving personal injury, construction and collection issues.*

*In light of their experience, Jacobs and Rozich is positioned to assist any client in a matter that will involve litigation. The firm's extensive experience has allowed the attorneys to be in a position to fully serve their clients' litigation needs. The attorneys have also used this experience to build a practice that is capable of handling a wide array of litigation matters including: helping an injured party to obtain fair and just compensation; assisting a homeowner to recover from an unscrupulous contractor and collecting money from a party that refuses to pay. As a result, the firm receives a large percentage of its work from other professionals.*

*In addition to its attorneys, Jacobs and Rozich employs a large support staff dedicated to providing excellent service for its clients. The firm uses the latest technology to track and maintain client files.*

*Kenneth Rozich is a Partner and focuses his practice on commercial and construction litigation.*

### **Statute of Limitations**

Written Contracts <a href="#">C.G.S. § 52-576 (2012)</a>	6 years
Oral Contracts <a href="#">C.G.S. § 52-581 (2012)</a>	3 years
Contracts for sale of goods <a href="#">C.G.S. § 42a-2-725 (2012)</a>	4 years

The calculation of the applicable limitations period begins at the time the cause of action accrues.

### **Service of Process**

Service of process in Connecticut is controlled by [C.G.S. § 52-57 \(2012\)](#):

- a) Individual defendant in hand or usual place of abode;
- b) Municipalities upon Town/City clerk;
- c) Private Corporations upon officers, person in charge or agent for service;
- d) Partnerships upon partner or Connecticut Secretary of State with copy mailed to each partner;
- e) Voluntary organizations upon officer or Connecticut Secretary of State with copy mailed to last known address of defendant.

Service of process upon nonresidents is generally controlled by [C.G.S. § 52-59b \(2012\)](#). If the State of

Connecticut may exercise personal jurisdiction, then service may be made upon the Connecticut Secretary of State. Process must also be mailed to the defendant's last known address by certified mail.

The fees associated with service of process are governed by [C.G.S. § 52-261 \(2012\)](#). Generally, the State Marshal is entitled to \$30.00 per summons served, along with permissible mileage and copying fees.

### **Fees**

Civil Entry Fee matters exceeding \$2,500.00	\$350.00
Civil Entry Fee matters less than \$2,500.00	\$225.00
Small Claims Entry Fee	\$ 90.00
Application for Execution (Wage/Property/Bank)	\$100.00

### **Docketing Foreign Judgments**

Connecticut generally permits the domestication of foreign judgments. See [C.G.S. § 52-604 et seq. \(2012\)](#). The definition of a "foreign judgment," however, specifically excludes any judgment obtained by default or confession of judgment. *Id.* The process for filing a foreign judgment is governed by [C.G.S. § 52-605 \(2012\)](#), which requires a certified copy of the judgment to be filed with a certification from the creditor. Additionally, the creditor must mail a notice of the filing of the foreign judgment to the debtor. The debtor may petition the Court to stay execution under limited circumstances pursuant to [C.G.S. § 52-605 \(2012\)](#).

### **Priority on Real Property Lien**

A judgment lien recorded properly in accordance with the provisions of [C.G.S. § 52-380a \(2012\)](#) is valid and enforceable for twenty years. The lien will be entitled to priority over all subsequent encumbrances.

### **Exempt Funds**

In Connecticut, a judgment debtor that has had funds seized from an account may petition the Court for a determination that the funds are exempt from execution. Pursuant to [C.G.S. § 52-352a \(2012\)](#) through [C.G.S. § 52-352d \(2010\)](#), certain funds cannot be seized by a creditor to satisfy a judgment. Upon execution, the financial institution must provide notice to the account holder and the necessary documentation for the debtor to claim an exemption. If the debtor files an exemption claim with the court, a hearing is scheduled and the debtor must establish the basis for the exemption.

### **Wage Garnishment**

In order for a judgment creditor to pursue a wage execution, a judgment debtor must default on the terms of a post judgment payment order. [C.G.S. § 52-361a \(2010\)](#). Upon default the judgment, creditor applies

for an execution order which is then served by a marshal upon the employer. After service upon the employer, the employee may apply for a modification of the statutory amount of earnings that is subject to levy. [C.G.S. § 52-361a \(2010\)](#).

### **Witnesses and Court Appearances**

For contested matters, Connecticut courts generally require the appearance of counsel and parties in court. Presently, litigants do not have the ability to have witnesses testify by telephone. Additionally, some judges require the attendance of a representative with settlement authority for pretrials and/or settlement conferences.

In matters where the defendant has been defaulted, the plaintiff may proceed to judgment by submission of an affidavit of debt. Depending on the local rule, some trial courts allow the submission of a Motion for Judgment. Other courts require counsel to appear for a hearing in damages.

### **Documentary Evidence Rules**

In collection cases, most of the documents relating to the creditor's case can be offered into evidence as a business record. Pursuant to Section 8-4 of the Connecticut Code of Evidence, business records are admissible if made in the regular course of business and it was the regular course of business to produce the document. **Conn. Code of Evidence § 8-4 (2008)**. There is no requirement that the party that produced the document be called as a witness, and a copy of the document is admissible. *Id.*

### **Confession of Judgment vs. Stipulations**

In Connecticut, the court will generally enter a judgment in accordance with an agreement of the parties. The most common practice is to file a Motion to Judgment in Accordance with Stipulation and attach the stipulation as an exhibit. The parties' agreement then becomes a judgment subject to post judgment proceedings in the event of default. Connecticut does not recognize confessions of judgment.

### **Arbitration Awards**

Pursuant to [C.G.S. § 52-417 \(2010\)](#), any party to an arbitration proceeding may make an application to the court to confirm an arbitration award. The application must be made within one year of notice of the arbitration award, and unless the judicial authority finds that the award has been vacated, modified or corrected, the award shall be confirmed. [C.G.S. § 52-417 et seq. \(2010\)](#). Any application to vacate, modify or correct must be filed within 30 days of notice of the arbitration award. [C.G.S. § 52-420 et seq. \(2010\)](#). In Connecticut, an application or motion filed with regard to an arbitration award is set down for a hearing during the time and in the same manner other written motions are heard.

### **Joint Accounts**

Funds in a joint account are subject to execution by a judgment creditor of one of the account holders. **C.G.S. § 36-3 et seq. (2010).**

### **Regulated Activities of Creditors and Debt Collectors**

The State of Connecticut has very strict regulations regarding the activities of creditors as defined by [C.G.S. § 36a-645 \(2012\)](#) and consumer collection agencies as defined by **C.G.S. § 36a-800 (2012)**. Most importantly is the requirement that any person or entity that engages in the collection of consumer debts obtain a consumer collection agency license. **C.G.S. § 36a-800 et seq. (2012)**. Persons found to have violated the license requirement are subject to significant penalties and civil liability.

*Please be advised that this is not intended as legal advice. Changes to laws, statutes, regulations and costs can and do occur. We recommend that you contact an attorney for advice specific to your legal matters and your state.*

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