

1 H.106

2 An act relating to selling real property within a FEMA mapped flood hazard
3 area

4 It is hereby enacted by the General Assembly of the State of Vermont:

5 Sec. 1. 27 V.S.A. § 380 is amended to read:

6 § 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL
7 ESTATE

8 (a) Prior to or as part of a contract for the conveyance of real property, the
9 seller shall provide the buyer with the following information:

10 (1) whether the real property is located in a Federal Emergency
11 Management Agency mapped special flood hazard area;

12 (2) whether the real property is located in a Federal Emergency
13 Management Agency mapped moderate flood hazard area;

14 (3) whether the real property was subject to flooding or flood damage
15 while the seller possessed the property, including flood damage from
16 inundation or from flood-related erosion or landslide damage; and

17 (4) whether the seller maintains flood insurance on the real property.

18 (b) The failure of the seller to provide the buyer with the information
19 required under subsection (a) of this section is grounds for the buyer to
20 terminate the contract prior to transfer of title or occupancy, whichever occurs
21 earlier.

1 (c) ~~A buyer~~ If a seller of real estate ~~who fails to receive~~ provide the
2 information required to be disclosed by a seller under subsection (a) of this
3 section, a buyer may bring an action to recover from the seller the amount of
4 the buyer's damages and reasonable attorney's fees. The buyer may also seek
5 punitive damages when the seller knowingly failed to provide the required
6 information.

7 (d) A seller shall not be liable for damages under this section for any error,
8 inaccuracy, or omission of any information required to be disclosed to the
9 buyer under subsection (a) of this section;

10 (1) when the error, inaccuracy, or omission was based on information
11 provided by a public body or by another person with a professional license or
12 special knowledge who provided a written report that the seller reasonably
13 believed to be correct and that was provided by the seller to the buyer; or

14 (2) if the seller, after reasonable attempt to identify whether the location
15 of the real property is within a Federal Emergency Management Agency
16 mapped special or moderate flood hazard area, notifies the buyer that the seller
17 cannot reasonably determine if the real property is located within a special or
18 moderate flood hazard area and the seller notifies the buyer of the requirements
19 of subsection (a) of this section.

20 (e) Noncompliance with the requirements of this section shall not affect the
21 marketability of title of a real property.

- 1 Sec. 2. EFFECTIVE DATES
- 2 This act shall take effect on passage.