

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on General and Housing to which was referred House Bill
3 No. 106 entitled “An act relating to selling property within a FEMA mapped
4 flood hazard area” respectfully reports that it has considered the same and
5 recommends that the bill be amended by striking out all after the enacting
6 clause and inserting in lieu thereof the following:

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

8 § 380. DISCLOSURE OF INFORMATION; CONVEYANCE OF REAL
9 ESTATE

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

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

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

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

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

20 (b) The failure of the seller to provide the buyer with the information
21 required under subsection (a) of this section is grounds for the buyer to

1 terminate the contract prior to transfer of title or occupancy, whichever occurs
2 earlier.

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

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

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

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

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

3 Sec. 2. EFFECTIVE DATES

4 This act shall take effect on passage.

5 (Committee vote: _____)

6

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Representative _____

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FOR THE COMMITTEE