

Department of Legislative Services

Maryland General Assembly

2001 Session

FISCAL NOTE

House Bill 677 (Delegate Leopold, *et al.*)

Economic Matters

Real Property - Sales of Homes - Disclosure Requirements

This bill requires a contract for the sale of a single family residence to contain a notice stating that the buyer should consult the appropriate county agency or county Internet website in order to become more fully informed of the current and future land use plans, facility plans, public works plans, school plans, or other plans affecting the property or area. The bill provides that a local law requiring disclosure to home buyers of substantially similar information prevails over the bill's requirements.

The bill may be construed only prospectively and may not be applied to any contract of sale entered into before October 1, 2001.

Fiscal Summary

State Effect: The bill would not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The seller of a single family residence must provide the purchaser with a disclosure statement: (1) containing a disclaimer of any warranties, except as provided in the contract of sale; and (2) including a list of defects or information of which the seller has actual knowledge regarding the residence's water and sewer; structural systems, such as the roof and walls; plumbing, heating, and air conditioning systems; wood destroying

insect infestations; hazardous or regulated materials, such as asbestos and lead-based paint; and land use matters. The disclosures must be presented on a form provided by the State Real Estate Commission and must include a notice that the representations in the disclosure are those of the seller and not the real estate broker or salesperson.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Office of the Attorney General, Department of Legislative Services

Fiscal Note History: First Reader – February 27, 2001
ef/jr

Analysis by: Ryan Wilson

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510