

February 3rd, 2026

The Honorable Kriselda Valderrama
Chair, House Economic Matters Committee
230 Taylor House Office Building
Annapolis, Maryland 21401

RE: MBIA Letter of Support with Amendments HB200 Sale of Residential Real Property – Required Flood Risk Disclosure

Dear Chair Valderrama,

The Maryland Building Industry Association, representing 100,000 employees of the building industry across the State of Maryland, appreciates the opportunity to participate in the discussion surrounding **HB200 Sale of Residential Real Property – Required Flood Risk Disclosure**.

MBIA supports this bill but would like to suggest the following amendments. MBIA believes that buyers should be clearly informed about the properties they purchase without overcomplicating the process. Our proposed amendments align flood disclosure requirements with the Seller Property Condition and Disclosure Act, which exempts certain transactions and consolidates the disclosures into a single form. The amendments also remove the requirement to provide accounting of past flood insurance claim payments.

Amendment 1:

On page 3, after line 21, add:

(B) THIS SECTION APPLIES ONLY TO SINGLE FAMILY RESIDENTIAL REAL PROPERTY IMPROVED BY FOUR OR FEWER SINGLE FAMILY UNITS.

(1) THIS SECTION DOES NOT APPLY TO:

(I) THE INITIAL SALE OF SINGLE FAMILY RESIDENTIAL REAL PROPERTY:

1. THAT HAS NEVER BEEN OCCUPIED; OR

2. FOR WHICH A CERTIFICATE OF OCCUPANCY HAS BEEN ISSUED WITHIN 1 YEAR BEFORE THE VENDOR AND PURCHASER ENTER INTO A CONTRACT OF SALE;

(II) A TRANSFER THAT IS EXEMPT FROM THE TRANSFER TAX UNDER § 13-207 OF THE TAX--PROPERTY ARTICLE, EXCEPT LAND INSTALLMENT CONTRACTS OF SALE UNDER § 13-207(A)(11) OF THE TAX--PROPERTY ARTICLE AND OPTIONS TO PURCHASE REAL PROPERTY UNDER § 13-207(A)(12) OF THE TAX--PROPERTY ARTICLE;

(III) A SALE BY A LENDER OR AN AFFILIATE OR SUBSIDIARY OF A LENDER THAT ACQUIRED THE REAL PROPERTY BY FORECLOSURE OR DEED IN LIEU OF FORECLOSURE;

(IV) A SHERIFF'S SALE, TAX SALE, OR SALE BY FORECLOSURE, PARTITION, OR BY COURT APPOINTED TRUSTEE;

(V) A TRANSFER BY A FIDUCIARY IN THE COURSE OF THE ADMINISTRATION OF A DECEDENT'S ESTATE, GUARDIANSHIP, CONSERVATORSHIP, OR TRUST;

(VI) A TRANSFER OF SINGLE FAMILY RESIDENTIAL REAL PROPERTY TO BE CONVERTED BY THE BUYER INTO A USE OTHER THAN RESIDENTIAL USE OR TO BE DEMOLISHED; OR

(VII) A SALE OF UNIMPROVED REAL PROPERTY.

Amendment 2:

On page 3, line 22, strike “(B)” and insert “(C)”

On page 3 and 4 strike lines 25 through line 4 on page 4 and insert:

A COMPLETED FLOOD RISK DISCLOSURE STATEMENT FORM DEVELOPED AND PUBLISHED BY THE DEPARTMENT OF THE ENVIRONMENT UNDER SECTION 5-810 OF THE ENVIRONMENT ARTICLE, AND, IF AVAILABLE, A COPY OF THE FEMA ELEVATION CERTIFICATE FOR THE PROPERTY.

MBIA respectfully requests the Committee give this measure a favorable report with our suggested amendments. Thank you for your consideration.

For more information about this position, please contact Lori Graf at 410-800-7327 or lgraf@marylandbuilders.org.

cc: Members of the House Economic Matters Committee