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*Legislative District 21*  
Prince George's and  
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Government, Labor, and  
Elections Committee

*Chair*  
Local Government/Bi-County  
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THE MARYLAND HOUSE OF DELEGATES  
ANNAPOLIS, MARYLAND 21401

**HB200 - SALE OF RESIDENTIAL REAL PROPERTY - REQUIRED FLOOD RISK  
DISCLOSURE**

**MARCH 24, 2026**

**FAVORABLE**

GOOD AFTERNOON, CHAIR SMITH, VICE CHAIR WALDSTREICHER, AND MEMBERS OF THE JUDICIAL PROCEEDINGS AND EDUCATION, ENERGY AND ENVIRONMENT COMMITTEES:

FOR THE RECORD, MY NAME IS DELEGATE MARY LEHMAN ASKING FOR YOUR FAVORABLE CONSIDERATION OF HOUSE BILL 200.

THIS BILL PROTECTS BOTH SELLERS AND POTENTIAL BUYERS OF RESIDENTIAL REAL ESTATE THROUGH DISCLOSURE OF A PROPERTY'S FLOOD RISK. BEGINNING JULY 1, 2027, A SELLER OF RESIDENTIAL PROPERTY MUST DISCLOSE SPECIFIC FLOOD RISK INFORMATION TO THE PURCHASER PRIOR TO ENTERING A CONTRACT OF SALE. THE FLOOD RISK DISCLOSURE FORM WILL BE DEVELOPED AND PUBLISHED BY THE MARYLAND DEPARTMENT OF ENVIRONMENT (MDE).

THE FLOOD RISK DISCLOSURE STATEMENT MUST BE PROVIDED BY THE SELLER TO THE POTENTIAL BUYER BEFORE SHE OR HE ENTERS THE CONTRACTUAL PHASE OF A PURCHASE. THIS DISCLOSURE WOULD INCLUDE CRITICAL INFORMATION INCLUDING:

- WHETHER THE PROPERTY IS WITHIN A DESIGNATED SPECIAL FLOOD HAZARD AREA OR A MODERATE-RISK FLOOD HAZARD AREA;
- WHETHER FEDERAL LAW REQUIRES INSURANCE ON THE PROPERTY;
- WHETHER THE SELLER HAS RECEIVED ANY FINANCIAL COMPENSATION FROM A FEDERAL AGENCY FOR FLOOD DAMAGE,
- WHETHER THE CURRENT OWNER CURRENTLY HAS FLOOD INSURANCE ON THE PROPERTY; AND
- WHETHER THE SELLER HAS KNOWLEDGE OF FLOOD DAMAGE CAUSED BY A VARIETY OF SOURCES INCLUDING HEAVY RAINFALL, COASTAL STORM SURGE, TIDAL INUNDATION OR RIVER OVERFLOWS.

THE BILL WAS AMENDED IN THE HOUSE ECONOMIC MATTERS COMMITTEE TO:

- LIMIT THE REPORTING TO BUILDINGS WITH FOUR OR FEWER SINGLE-FAMILY UNITS;

- EXEMPT NEWLY CONSTRUCTED, FORECLOSED, ESTATE OR TAX SALE HOUSES; HOUSES THAT WILL BE CONVERTED TO ANOTHER USE; AND UNIMPROVED REAL PROPERTY;
- REMOVE THE REQUIREMENT FOR THE SELLER TO SUPPLY ACCOUNTING OF REDEMPTION OF FLOOD-DAMAGE CLAIMS; AND
- REMOVE THE REQUIREMENT TO DISCLOSE THE NUMBER OF TIMES THAT FLOODING HAS OCCURRED.

ACCORDING TO FEMA, ONE INCH OF FLOOD WATER CAN CAUSE UP TO \$25,000 DOLLARS IN DAMAGE, WHICH CAN BE CRIPPLING FOR MANY HOMEOWNERS. WHILE THIS BILL DOES NOT REQUIRE MARYLAND RESIDENTS TO PURCHASE FLOOD INSURANCE, IT CAN DRIVE THEM TO DO SO. AS CLIMATE CHANGE CONTINUES TO MAKE EXTREME WEATHER EVENTS AND CATASTROPHIC FLOODING MORE COMMON, THIS BILL WILL PROTECT MARYLANDERS AND ENSURE AN EXTRA LEVEL OF EMERGENCY PREPAREDNESS ACROSS THE STATE.

AS OF NOW, MARYLAND'S REAL PROPERTY DISCLOSURE STATEMENT ONLY INCLUDES TWO SINGLE-QUESTION SECTIONS REGARDING THE READINESS OF A HOME TO TAKE ON WATER. THESE QUESTIONS ARE ABOUT THE BASEMENT AND THE ROOF AND WHETHER THERE IS EVIDENCE OF LEAKING OR MOISTURE.

FLOOD DISCLOSURE LAWS HAVE BEEN ADOPTED IN 30 STATES. FLOOD RISK DISCLOSURE IN MARYLAND IS IMPORTANT WITH ITS UNUSUAL GEOGRAPHY. IN ADDITION TO ITS ATLANTIC COASTLINE, THE CHESAPEAKE BAY HAS 11,684-MILES OF SHORELINE WITH ITS THOUSANDS OF TRIBUTARIES. ACCORDING TO THE DEPARTMENT OF NATURAL RESOURCES, THE MARYLAND COASTAL ZONE EXTENDS FROM THREE MILES OUT IN THE ATLANTIC OCEAN TO THE INLAND BOUNDARIES OF 16 COUNTIES PLUS BALTIMORE CITY THAT BORDER THE ATLANTIC OCEAN, THE CHESAPEAKE BAY AND THE POTOMAC RIVER TO THE DISTRICT OF COLUMBIA. THAT AREA ENCOMPASSES TWO-THIRDS OF THE STATE'S LAND AREA AND IS HOME TO 70 PERCENT OF MARYLAND RESIDENTS.

I ASK THAT THE COMMITTEE CONSIDER THIS BILL AS A SAFEGUARD FOR ALL MARYLANDERS – PROPERTY OWNERS AND SELLERS ALIKE. I RESPECTFULLY ASK REQUEST A FAVORABLE REPORT.

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