

HB 200 Sale of Residential Real Property - Require

Uploaded by: Humna Sharif

Position: FAV

Wednesday March 25, 2026

TO: William Smith, Chair Senate Judicial Proceedings Committee, and Committee Members

FROM: Humna Sharif, The Nature Conservancy, Climate Adaptation Manager; Cait Kerr, The Nature Conservancy, State Policy Manager

POSITION: Support HB 200 Sale of Residential Real Property - Required Flood Risk Disclosure

The Nature Conservancy (TNC) supports HB 200 Sale of Residential Real Property - Required Flood Risk Disclosure sponsored by Delegate Lehman. TNC is a global conservation organization working to conserve the lands and waters on which all life depends. In Maryland, our work focuses on delivering solutions that secure clean water, air, and healthy, secure living environments.

HB 200 requires the Maryland Department of the Environment (MDE) to develop, publish, and maintain a real property flood risk disclosure statement form that includes information about a property's flood risk and history. This bill further requires property sellers to provide potential buyers with a completed flood risk disclosure statement, including past floods, before the contract for the property's sale is finalized. The disclosure statement will also specify if the property is subject to federal flood insurance requirements, and where the property falls within flood maps developed by the Federal Emergency Management Agency (FEMA). Commonly used indicators of flood risk include a 100-year floodplain or a Special Flood Hazard Area, and 500-year floodplain or a Moderate Flood Hazard Area. These measures translate to a 1% and 0.2% chance of flooding in a given year, respectively.

The impacts of climate change, through sea level rise, extreme precipitation, and other intense weather events, are causing increased flooding across Maryland. Last year, Western Maryland communities experienced devastating flooding in Allegheny and Garrett Counties. On the other side of the state, our vibrant coastline is experiencing increasing sunny day flooding from sea level rise.

The 2023 Maryland Sea Level Rise Projections, prepared by the University of Maryland Center for Environmental Sciences (UMCES), finds that by 2050, Maryland will experience 1–1.5 feet of sea level rise measured from a 2000 baseline. This is twice the amount of sea level rise experienced in the previous century. By 2100, the state is expected to experience three feet of sea level rise.

Rising sea levels contribute to increased flood events, even in the absence of storms. Maryland's low-lying coastal areas, including Eastern Shore counties, are particularly vulnerable to high tide flooding events that can range in severity from minor (disruptive or nuisance flooding leading to road closures and disrupting access to certain parts of town, often recurring), moderate (damaging), or major (destructive) for communities, residences, and infrastructure.

When purchasing a property, home buyers are often unaware if the property is within a flood zone, thus putting the buyer at risk of unknown financial hardship after weather and climate-related disasters. HB 200 aims to fix this gap in policy. Transparency regarding a property and region's flood risk exposure and history is potentially life-saving information that can help residents be informed and prepared to respond to disasters. Beyond transparency for property owners, MDE keeping records of flood risk history will help the state create better programs and resources to support areas most in need of flood mitigation measures.

As an example of state programs that aim to mitigate flood risk, the Maryland Department of Natural Resources (DNR) introduced a web and app-based tool "MyCoast Maryland" for the purpose of: "*Documenting Flooding & Storm Damage to Inspire Action.*" MyCoast Maryland allows individuals to communicate flooding and storm damage in their community. It is a portal to collect and analyze photos, which are linked to precipitation, riverine, and tidal data to create reports that help government agencies, business owners, and residents understand impacts in their community and encourage action to reduce localized flooding.

MyCoast data, coupled with information collected through implementing HB 200, will empower Maryland's state agencies to create and deliver even better flood resilience solutions for communities – allowing the State government to save billions in avoided damages.

Building resilience to climate change is among the biggest challenges of our time, many aspects of our governance system must come together to tackle this crisis. The state of Maryland has already shown itself to be a leader in tackling the climate crisis. As our state pursues our goals on renewable energy, and reducing emissions, we must give equal importance to resilience building measures that will reduce damage in the long run. HB 200 is one such bill.

Delegate Lehman's bill brings much needed transparency and access to the exposure and history of flood risk that a property carries. This bill will empower Maryland residents to make informed decisions about their own future. **Therefore, we urge a favorable report on HB 200.**

HB200 LEHMAN WRITTEN TESTIMONY SENATE.pdf

Uploaded by: Mary Lehman

Position: FAV

DELEGATE MARY A. LEHMAN
Legislative District 21
Prince George's and
Anne Arundel Counties

Government, Labor, and
Elections Committee

Chair
Local Government/Bi-County
Agencies and Administration
Subcommittee



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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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HB 200 Residential Property Sales - Flood Disclosu

Uploaded by: Tom Ballentine

Position: FAV



March 23, 2026

The Honorable, William C. Smith, Jr., Chair
Senate Judicial Proceedings Committee
2 East Miller Senate Office Building
Annapolis, Maryland 21401

Favorable: HB 200 – Residential Property Sales – Flood Disclosure

Dear Chair, Smith and Committee Members:

The NAIOP Maryland Chapters represent approximately 700 companies involved in all aspects of commercial, industrial, and mixed-use real estate. On behalf of our member companies, I am writing to support HB 200 as it passed the House of Delegates.

HB 200 seeks to enhance transparency and promote informed decision making in residential real estate transactions by requiring disclosure of flood risks. The disclosure will include information about a property's flood risk and history based on the FEMA designation of the location. The bill requires the disclosure to be provided via a flood risk disclosure form developed by the Department of the Environment. The amendments further define the scope of the disclosures and type of transactions covered by the disclosure requirement.

Among the House amendments is clarification that the HB 200 disclosure applies to residential property improved by four or fewer units. Residential property sales involving more than four units are financed by commercial mortgages and subject to the requirements and practices applied to commercial real estate transactions. Flood risk due diligence in commercial and multifamily transactions is well established and includes lender and investor requirements, modeling of insurance premiums and screening of natural hazards in environmental site assessments.

For these reasons, NAIOP respectfully requests your favorable report on HB 200 as it passed the House.

Sincerely,

A handwritten signature in blue ink, appearing to read "T.M. Ballentine".

Tom Ballentine, Vice President for Policy
NAIOP – Maryland Chapters, *The Association for Commercial Real Estate*

cc: Judicial Proceedings Committee Members
Nick Manis – Manis, Canning Assoc.

HB 200X_realtors_fav.pdf

Uploaded by: William Castelli

Position: FAV



House Bill 200 – Sale of Residential Real Property – Required Flood Risk Disclosure

Position: Favorable

The Maryland REALTORS® support HB 200 which mandates a disclosure form about flood risk in Maryland residential real estate transactions.

REALTORS® in Maryland represent both sellers and buyers of real estate and want to ensure their clients are informed about the property they are purchasing. Being informed about a property does not mean throwing information at a buyer hoping they read it, but ensuring the disclosure is likely to be read by the buyer when real estate contracts easily run over 50 pages. It is also important in the interest of sellers to ensure the disclosure is easy to comply with.

With the amendments added in the House, the REALTORS® believe that HB 200 achieves those goals. The legislation follows standard disclosure rules in existing law. The legislation directs the Maryland Department of Environment (MDE) to create a standardized form that can be used, and the delayed effective date gives MDE time to develop the form for sellers and the industry.

Finally, the United States Environmental Protection Agency (EPA) has a website (<https://msc.fema.gov/portal/search>) that permits sellers of property to enter their address and identify whether the property is located within any of the flood zones specified in the legislation.

With the House Amendments, the REALTORS® support HB 200 which will provide important information to buyers and ensure sellers can comply.

**For more information contact lisa.may@mdrealtor.org or
christa.mcgee@mdrealtor.org**