

Support Flood Disclosure in Massachusetts

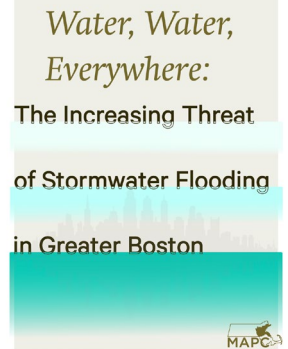
An Act enhancing homebuyer awareness by providing notice to persons purchasing property in a flood zone



Please support [S.753](#) / [H.1345](#) by Sen. Fernandes and Rep. Walsh

The bill will help protect future home buyers and renters by requiring sellers or landlords to disclose if a property experienced flooding or resides in a Federal Emergency Management Agency (FEMA) flood zone. Currently, **Massachusetts is one of only 14 states, and the only state in New England, without any sort of flood disclosure requirements.**

While coastal flooding and sea level rise earn much attention, stormwater flooding (also known as inland or urban flooding) can be equally impactful and often less expected. Stormwater flooding occurs when the volume of water on land exceeds the capacity of natural and built drainage systems and is [devastating in its own right](#). Regardless of location, when water damage occurs it can cost owners and renters thousands of dollars and, in some cases, insurance may not completely cover residents' losses.



Learn More about this research at: mapc.ma/Stormwater

This Bill Would:

- Require the Massachusetts Emergency Management Agency (MEMA) to prepare a standard notification form to inform prospective purchasers, lessees and renters about the potential hazards of living in a flood zone.
- Create a notification form would require that the owner disclose if any flooding has occurred—including if the owner filed a claim through the National Flood Insurance Program or private insurance, how often flooding occurred, and the cost required to repair the damage.
- It would also require the owner to disclose if they have had to/are required to purchase flood insurance or if the property is in a special flood hazard area.
- Any owner or broker that fails to comply with this law will be held liable for damages and fined \$1000 per violation.

For more information, please contact: Norman Abbott, Senior Government Affairs Specialist, nabbott@mapc.org.

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Why this bill is needed:

- Over [400,000 Massachusetts residents](#) currently live in a 100-year flood zone, and these “100-year storms” are becoming more frequent. Experts expect these storms to occur as often as every [11 years](#) or as [late as every 30 years](#).
- As Mass. experiences more coastal and inland flooding, it is important that renters and buyers are able to take the appropriate precautions to protect their lives and property.
- Structures in areas impacted by coastal storms are valued at roughly \$55 billion, of which \$40 billion is residential.
- While optional disclosure forms [already exist](#), sellers are not required to notify buyers unless a lender requires flood insurance as a condition of the mortgage loan. This is only likely to happen if a home is in a known flood hazard zone.
- Tenants are particularly vulnerable to property loss from flooding. While flood insurance for apartment contents is available to renters, it is rarely purchased, [often due to prohibitive cost, or due to a lack of awareness of its availability](#).
- [MAPC research](#) shows that inland property owners do not have access to a predictive flooding model, nor do the Federal Emergency Management Agency's (FEMA) flood maps capture much of the risk of stormwater flooding.
- [Massachusetts has the fifth-highest non-renewal rate for homeowners insurance](#) in the country, which is driven by sea level rise; this means individuals might move into properties that are not covered by insurance and are prone to flooding and not be aware of either fact.
- Renters and homebuyers who unknowingly move into a flood-prone property can face thousands of dollars in damages, loss of property, and potential exposure to mold and other related public health risks.
- Insurance coverage for basements and basement units is extremely limited through [FEMA's National Flood Insurance Program \(NFIP\)](#). Renters and homeowners can move into properties where they are subject to little or no coverage without any warning.



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