

FISCAL NOTE

January 30, 2017

Bill No:	SB 50	Printer's No:	PN 31	Sponsor:	Greenleaf (R)
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COST / (SAVINGS)

Fund (s)	2016-17	2017-18
General Fund	See "Fiscal Impact"	\$8,000

SUMMARY: This legislation would require sellers of real property to disclose the flood history of the property to prospective buyers.

ANALYSIS: This legislation would amend the Real Estate Seller Disclosure Law to require disclosure of a property's flood history to prospective buyers. The seller would have to disclose if the property is located in a flood zone or wetlands area and whether the property has a flood history, including the frequency and extent of any flooding.

The State Real Estate Commission would have 120 days after this legislation becomes effective to update the property disclosure statement.

This legislation would take effect immediately.

FISCAL IMPACT: This legislation would have a one-time cost of \$8,000 in fiscal year 2017-18 for the Department of State, which oversees the State Real Estate Commission, to create, process, and enact regulations as necessary.

Assuming that this legislation is not enacted by May 1, 2017, the costs of compliance would have to be realized during fiscal year 2017-18. However, if the legislation is enacted earlier, both years would realize partial costs in fiscal years 2016-17 and 2017-18.