

Department of Planning and Budget

2021 Fiscal Impact Statement

1. Bill Number: HB2320

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Convirs-Fowler

3. Committee: General Laws

4. Title: Virginia Residential Property Disclosure Act; required disclosures; special flood hazard areas.

5. Summary: Purchasers of residential real property are advised to visit the Virginia Flood Risk Information website operated by the Department of Conservation and Recreation. The Real Estate Board shall make available on its website a flood risk information form pursuant to the bill.

The owner of residential real property located in the Commonwealth who has actual knowledge that the dwelling unit is a repetitive risk loss structure shall disclose such fact to the purchaser. For purposes of the bill, "repetitive risk loss" means that two or more claims of more than \$1,000 were paid by the National Flood Insurance Program within any rolling 10-year period, since 1978. Such disclosure shall be provided to the purchaser on a form provided by the Real Estate Board on its website.

The provisions of this act shall become effective on January 1, 2022. The provisions of this act shall not become effective unless an appropriation effectuating the purposes of this act is included in a general appropriation act passed in 2021 by the General Assembly that becomes law.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

8. Fiscal Implications: It is anticipated that this bill will not result in a fiscal impact to the Department of Professional and Occupational Regulation.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion to SB1389 substitute.