



General Assembly

January Session, 2009

Committee Bill No. 6114

LCO No. 4285

04285HB06114INS

Referred to Committee on Insurance and Real Estate

Introduced by:
(INS)

**AN ACT CONCERNING DISCLOSURE OF AN HISTORIC DISTRICT
DESIGNATION TO PROSPECTIVE PURCHASERS OF RESIDENTIAL
PROPERTY.**

Be it enacted by the Senate and House of Representatives in General
Assembly convened:

1 Section 1. Section 20-327b of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2009*):

3 (a) Except as otherwise provided in this section, each person who
4 offers residential property in the state for sale, exchange or for lease
5 with option to buy, shall provide a written residential condition report
6 to the prospective purchaser at any time prior to the prospective
7 purchaser's execution of any binder, contract to purchase, option, or
8 lease containing a purchase option. A photocopy, duplicate original,
9 facsimile transmission [,] or other exact reproduction or duplicate of
10 the written residential condition report containing the prospective
11 purchaser's written receipt shall be attached to any written offer,
12 binder or contract to purchase. A photocopy, duplicate original,
13 facsimile transmission or other exact reproduction or duplicate of the
14 written residential condition report containing the signatures of both
15 seller and purchaser, shall be attached to any agreement to purchase

16 the property.

17 (b) The following shall be exempt from the provisions of this
18 section: (1) Any transfer from one or more co-owners solely to one or
19 more of the co-owners; (2) transfers made to the spouse, mother,
20 father, brother, sister, child, grandparent or grandchild of the
21 transferor where no consideration is paid; (3) transfers pursuant to an
22 order of the court; (4) transfers of newly-constructed residential real
23 property for which an implied warranty is provided under chapter
24 827; (5) transfers made by executors, administrators, trustees or
25 conservators; (6) transfers by the federal government, any political
26 subdivision thereof or any corporation, institution or quasi-
27 governmental agency chartered by the federal government; (7)
28 transfers by deed in lieu of foreclosure; (8) transfers by the state of
29 Connecticut or any political subdivision thereof; (9) transfers of
30 property which was the subject of a contract or option entered into
31 prior to January 1, 1996; and (10) any transfer of property acquired by
32 a judgment of strict foreclosure or by foreclosure by sale or by a deed
33 in lieu of foreclosure.

34 (c) The provisions of this section shall apply only to transfers by
35 sale, exchange or lease with option to buy, of residential real property
36 consisting of not less than one nor more than four dwelling units
37 which shall include cooperatives and condominiums, and shall apply
38 to all transfers, with or without the assistance of a licensed real estate
39 broker or salesperson, as defined in section 20-311.

40 (d) (1) The Commissioner of Consumer Protection, shall, by
41 regulations adopted in accordance with the provisions of chapter 54,
42 prescribe the form of the written residential disclosure report required
43 by this section and sections 20-327c to 20-327e, inclusive. The
44 regulations shall provide that the form include information concerning
45 municipal assessments, including, but not limited to, sewer or water
46 charges applicable to the property. Such information shall include: (A)
47 Whether such assessment is in effect and the amount of the

48 assessment; (B) whether there is an assessment on the property that
49 has not been paid, and if so, the amount of the unpaid assessment; and
50 (C) to the extent of the seller's knowledge, whether there is reason to
51 believe that the municipality may impose an assessment in the future.

52 (2) The regulations shall also provide that the form include the
53 following statement in conspicuous type: "If this form indicates this
54 property is located in an historic district or historic village or is an
55 historic property, you may contact the town clerk for additional
56 information on specific compliance requirements pertaining to such
57 property.".

58 [(2)] (3) Such form of the written residential disclosure report shall
59 contain the following:

60 (A) A certification by the seller in the following form:

61 "To the extent of the seller's knowledge as a property owner, the
62 seller acknowledges that the information contained above is true and
63 accurate for those areas of the property listed. In the event a real estate
64 broker or salesperson is utilized, the seller authorizes the brokers or
65 salespersons to provide the above information to prospective buyers,
66 selling agents or buyers' agents.

.... (Date) (Seller)
.... (Date) (Seller)"

67 (B) A certification by the buyer in the following form:

68 "The buyer is urged to carefully inspect the property and, if desired,
69 to have the property inspected by an expert. The buyer understands
70 that there are areas of the property for which the seller has no
71 knowledge and that this disclosure statement does not encompass
72 those areas. The buyer also acknowledges that the buyer has read and
73 received a signed copy of this statement from the seller or seller's
74 agent.

.... (Date) (Seller)
.... (Date) (Seller)"

75 (C) A statement concerning the responsibility of real estate brokers
76 in the following form:

77 "This report in no way relieves a real estate broker of the broker's
78 obligation under the provisions of section 20-328-5a of the Regulations
79 of Connecticut State Agencies to disclose any material facts. Failure to
80 do so could result in punitive action taken against the broker, such as
81 fines, suspension or revocation of license."

82 (D) A statement that any representations made by the seller on the
83 written residential disclosure report shall not constitute a warranty to
84 the buyer.

85 (E) A statement that the written residential disclosure report is not a
86 substitute for inspections, tests and other methods of determining the
87 physical condition of property.

88 (F) Information concerning environmental matters such as lead,
89 radon, subsurface sewage disposal, flood hazards and, if the residence
90 is or will be served by well water, as defined in section 21a-150, the
91 results of any water test performed for volatile organic compounds
92 and such other topics as the Commissioner of Consumer Protection
93 may determine would be of interest to a buyer.

94 (G) A statement that information concerning the residence address
95 of a person convicted of a crime may be available from law
96 enforcement agencies or the Department of Public Safety and that the
97 Department of Public Safety maintains a site on the Internet listing
98 information about the residence address of persons required to register
99 under section 54-251, 54-252, 54-253 or 54-254, who have so registered.

100 (e) On or after January 1, 1996, the Commissioner of Consumer
101 Protection shall make available the residential disclosure report

102 prescribed in accordance with the provisions of this section and
103 sections 20-327c to 20-327e, inclusive, to the Division of Real Estate, all
104 municipal town clerks, the Connecticut Association of Realtors, Inc.,
105 and any other person or institution that the commissioner believes
106 would aid in the dissemination and distribution of such form. The
107 commissioner shall also cause information concerning such form and
108 the completion of such form to be disseminated in a manner best
109 calculated, in the commissioner's judgment, to reach members of the
110 public, attorneys and real estate licensees.

This act shall take effect as follows and shall amend the following sections:		
Section 1	October 1, 2009	20-327b

Statement of Purpose:

To require the residential property condition disclosure report to include the contact information of a municipal official, agency or department if the property is located in an historic district or historic village or is an historic property.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]

Co-Sponsors: REP. ABERCROMBIE, 83rd Dist.; REP. ARESIMOWICZ, 30th Dist.

H.B. 6114