



General Assembly

February Session, 2016

***Raised Bill No. 5231***

LCO No. 1168



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:  
(INS)

***AN ACT CONCERNING THE RESIDENTIAL PROPERTY CONDITION  
DISCLOSURE REPORT.***

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 Section 20-327b of the general statutes is repealed and the  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 January 1, 2017*):

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 the  
10 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] that was the subject of a contract or option entered  
31 into prior to January 1, 1996; and (10) any transfer of property acquired  
32 by a judgment of strict foreclosure or by foreclosure by sale or by a  
33 deed 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) Not later than January 1, [2013] 2017, the Commissioner of  
41 Consumer Protection shall [, by regulations adopted in accordance  
42 with the provisions of chapter 54,] prescribe the form of the written  
43 residential disclosure report required by this section and sections 20-  
44 327c to 20-327e, inclusive. The [regulations shall provide that the] form  
45 shall include information required under subdivision (2) of this  
46 subsection and information concerning:

47 (A) Municipal assessments, including, but not limited to, sewer or  
48 water charges applicable to the property. Such information shall  
49 include: (i) Whether such assessment is in effect and the amount of the  
50 assessment; (ii) whether there is an assessment on the property that  
51 has not been paid, and if so, the amount of the unpaid assessment; and  
52 (iii) to the extent of the seller's knowledge, whether there is reason to  
53 believe that the municipality may impose an assessment in the future;

54 (B) Leased items on the premises, including, but not limited to,  
55 propane fuel tanks, water heaters, major appliances and alarm  
56 systems;

57 (C) (i) Whether the real property is located in a municipally  
58 designated village district or municipally designated historic district or  
59 has been designated on the National Register of Historic Places, and  
60 (ii) a statement that information concerning village districts and  
61 historic districts may be obtained from the municipality's village or  
62 historic district commission, if applicable; [.]

63 (D) Environmental matters such as lead, radon, subsurface sewage  
64 disposal, flood hazards and, if the residence is or will be served by  
65 well water, as defined in section 21a-150, the results of any water test  
66 performed for volatile organic compounds and such other topics as the  
67 commissioner may determine would be of interest to a buyer;

68 (E) If the property is located in a common interest community,  
69 whether the property is subject to any community or association dues  
70 or fees;

71 (F) Whether, during the seller's period of ownership, there is or has  
72 ever been an underground storage tank located on the property, and, if  
73 there is or was, if it has been removed. If such underground storage  
74 tank has been removed, such seller shall state when it was removed,  
75 who removed it and shall provide any and all written documentation  
76 of such removal within the seller's possession and control;





126 section 54-251, 54-252, 54-253 or 54-254, who have so registered.

127 [(H) If the property is located in a common interest community,  
128 whether the property is subject to any community or association dues  
129 or fees.

130 (I) Whether, during the seller's period of ownership, there is or has  
131 ever been an underground storage tank located on the property, and, if  
132 there is or was, if it has been removed. If such underground storage  
133 tank has been removed, such seller shall state when it was removed,  
134 who removed it and shall provide any and all written documentation  
135 of such removal within the seller's possession and control.]

136 [(J)] ~~(G)~~ A statement that the prospective purchaser should consult  
137 with the municipal building official in the municipality in which the  
138 property is located to confirm that building permits and certificates of  
139 occupancy have been issued for work on the property, where  
140 applicable.

141 [(K)] ~~(H)~~ A statement that the prospective purchaser should have  
142 the property inspected by a licensed home inspector.

143 [(L) A question as to whether the seller is aware of any prior or  
144 pending litigation, government agency or administrative action, order  
145 or lien on the premises related to the release of any hazardous  
146 substance.

147 (M) Whether there are smoke detectors and carbon monoxide  
148 detectors located in a dwelling on the premises, the number of such  
149 detectors, whether there have been any problems with such detectors  
150 and an explanation of any such problems.]

151 (e) ~~(1)~~ On [or] and after January 1, [1996] 2017, the Commissioner of  
152 Consumer Protection shall make available the residential disclosure  
153 report form prescribed in accordance with the provisions of this  
154 section and sections 20-327c to 20-327e, inclusive, to the Division of

155 Real Estate, all municipal town clerks, the Connecticut Association of  
156 Realtors, Inc., and any other person or institution that the  
157 commissioner believes would aid in the dissemination and distribution  
158 of such form. The commissioner shall also cause information  
159 concerning such form and the completion of such form to be  
160 disseminated in a manner best calculated, in the commissioner's  
161 judgment, to reach members of the public, attorneys and real estate  
162 licensees.

163 (2) The commissioner shall submit any recommendations for  
164 material changes to the form of the written residential disclosure  
165 report to the joint standing committee of the General Assembly having  
166 cognizance of matters relating to real estate. No such changes to the  
167 form shall be effective unless enacted by the General Assembly, except  
168 the commissioner may update the form each October first to correct  
169 any technical errors in or make format changes to such form.

This act shall take effect as follows and shall amend the following sections:		
Section 1	January 1, 2017	20-327b

**Statement of Purpose:**

To eliminate the requirement that the form of the residential property condition disclosure report be prescribed by regulation, and to require material changes to the form to be enacted by the General Assembly.

*[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.]*