

# Action Plan

## Category 6 – Regulations, Legislation, Compliance and Permitting

### Action 6.8 – Update Real Property Disclosure Rules



## Overview and Implementation Strategy:

The goal of this action is to ensure that prospective buyers of property in the District are made aware of past flooding issues and the status of flood risk reducing infrastructure on their property. This will be done via the Real Property Seller's Disclosure Statement which are required to be completed by the property seller and made available to the prospective purchaser.

### Impacted City Ward/ANC:

- All Wards

### Lead Agency:

- DCRA

### Supporting Agencies, Roles/Commitments:

- DOEE and DC Water – Advise on changes

## Background:

### Impact of this Effort on Task Force Goal:

- The effort will directly increase the awareness of District property owners to flood risk on their property and help them be more prepared when a flood does occur.

### Historical Context:

- The Real Property Seller's Disclosure Statement is defined in the DCMR Chapter 27, REAL ESTATE PRACTICE AND HEARINGS, of Title 17 DCMR, BUSINESS, OCCUPATIONS, AND PROFESSIONALS.
- Specifically, it is described in Section 2708, REAL PROPERTY SELLER'S DISCLOSURE STATEMENT
- DCMR Chapter 27 is authorized by Section 6(1)(A) of the Residential Real Property Seller Disclosure, Funeral Services Date Change, and Public Service Commission Independent Procurement Authority Act of 1998, which was effective April 20, 1999 (D.C. Law 12-263; D.C. Official Code § 42-1305(1)(A) (2012 Repl.). and Mayor's Order 99-82, dated May 21, 1999.
- FEMA recently published on July 11, 2022 their [Model State Requirements for Disclosing Flood Risk During Real Estate Transactions](#) report, which provide new best practices for what to include in Disclosure Statements.
- According to the report, the District was ranked 34<sup>th</sup> out of the US states and territories in their current number of mandated flood risk disclosures.
- DOEE and DC Water have proposed amendments to the DCMR Section 2708 to specify the disclosure of environmental issues associated with the property such as flood, stormwater runoff, sewer backup, drainage or grading on the property or in any of the improvements on the property

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## Equity

### How does this action prioritize equity and residents who are most impacted?

Equity is about improving outcomes for all, while prioritizing resources to those most impacted by an issue. Updating these disclosure statements will help every District resident be aware of the environmental issues and possible solutions that might impact their prospective property. Being aware of these issues before hand is good for everyone, but also have greater benefits for low-income residents who are least able to handle the costs of unexpected stormwater and flooding issues.

## Timeline:

Fiscal Year	Responsible Agency	Action
2023	DCRA	Submit proposed rulemaking to District Register.
	DCRA	Conduct additional outreach to facilitate community engagement during the public comment period.
2024	DCRA	Revise rulemaking based on comments and publish final rulemaking.

## Budget:

**Total Estimated Cost:** None – DCRA expects any costs associated with implementation of this Action will be absorbed by staff time.

**Long Term Budget Requirements:** None.

## Public Outreach and Input:

### Public outreach & engagement approach/actions:

Once proposed changes are made, a final version will be released for public comment in the DC Register.

### What were the Public Comments of relevance to this Action?

Multiple residents in Task Force Listening Session and other public meetings described their experience with backwater flooding and groundwater flooding which caused thousands of dollars in damage, and environmental hazards. Property owners may have been better prepared -either by not buying the property or installing upgrades had they been informed of the home's prior history