

House Bill 618

By: Representatives Campbell of the 171st, Holcomb of the 101st, and Yearta of the 152nd

A BILL TO BE ENTITLED
AN ACT

1 To amend Title 44 of the Official Code of Georgia Annotated, relating to property, so as to
2 require any seller of real property in this state to make certain disclosures regarding flood
3 damage to such real property; to provide for a definition; to provide for flood damage to be
4 an adverse material fact; to provide for violations of the "Fair Business Practices Act of
5 1975"; to provide for related matters; to provide for an effective date; to repeal conflicting
6 laws; and for other purposes.

7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

8 **SECTION 1.**

9 Title 44 of the Official Code of Georgia Annotated, relating to property, is amended in
10 Chapter 1, relating to general provisions, by revising Code Section 44-1-18, which is
11 designated as reserved, as follows:

12 "44-1-18.

13 (a) As used in this Code section, the term 'flood' means any inundation from rising waters
14 or from the overflow of streams, rivers, or other bodies of water, or from tidal surges,
15 abnormally high tidal water, tidal waves, tsunamis, hurricanes, or other severe storms or
16 deluge.

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17 (b) In addition to any other disclosures required by federal or state law, prior to any
18 purchase, lease, or other acquisition of real property or any interest in real property located
19 within any county in this state, it shall be the seller's responsibility to disclose any actual
20 knowledge of:

21 (1) Any physical damage to the property or improvements located on such property
22 caused by a flood;

23 (2) Any insurance claim for loss covered under the national flood insurance program or
24 a private flood insurance policy;

25 (3) Any repairs made to the property or improvements located on such property as a
26 result of a flood regardless of whether any insurance claim was filed;

27 (4) Any notification regarding the designation of the property as a repetitive loss
28 structure or severe repetitive loss structure as defined in 42 U.S.C. Section 4104c(h);

29 (5) Any obligation to obtain and maintain flood insurance under federal law, such as
30 because of a previous form of disaster assistance received by any owner of the property
31 under the federal Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42
32 U.S.C. Section 5121 et seq.;

33 (6) Any part of the property falling within a 100 year or 500 year floodplain as
34 designated by the Federal Emergency Management Agency; and

35 (7) Any material erosion, erosion control, or erosion control structures affecting the real
36 property.

37 (c) The required disclosures provided for in subsection (b) of this Code section shall be in
38 writing and shall include:

39 (1) The approximate date or dates and a general description of any flood;

40 (2) The approximate date or dates and nature of any claims made regarding damage to
41 the property or improvements located on such property resulting from any flood; and

42 (3) The approximate date or dates, nature, and cost of any repairs made to the property
43 or improvements located on such property because of damage resulting from a flood.

44 (d) Any damage to property or improvements located on such property resulting from a
45 flood shall constitute an adverse material fact pertaining to the physical condition of the
46 property as provided for in Chapter 6A of Title 10.

47 (e) Failure to provide any disclosures as required by this Code section shall be considered
48 a violation of Part 2 of Article 15 of Chapter 1 of Title 10, the 'Fair Business Practices Act
49 of 1975,' and all public and private remedies available under such part shall be available
50 with regard to any such violation. Reserved."

51 **SECTION 2.**

52 This Act shall become effective upon its approval by the Governor or upon its becoming law
53 without such approval.

54 **SECTION 3.**

55 All laws and parts of laws in conflict with this Act are repealed.