SENATE BILL REPORT SB 6440

As Reported by Senate Committee On: Labor, Commerce & Consumer Protection, January 28, 2010

Title: An act relating to adding fire protection services to the seller disclosure form.

Brief Description: Adding fire protection services to the seller disclosure form.

Sponsors: Senator Honeyford.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 1/26/10, 1/28/10 [DP].

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Holmquist, Ranking Minority Member; Franklin, Honeyford, King and Kline.

Staff: Ingrid Mungia (786-7423)

Background: A seller of residential land must provide a buyer with a disclosure statement about the land unless the buyer waives the right to receive it. The disclosure requirement applies to sales of unimproved residential land and improved residential land.

The disclosure forms are specified in statute. The disclosure for unimproved residential land concerns title, water, sewer/septic systems, electrical/gas, flooding, soil stability, environmental, and homeowners' association/common interests. The disclosure for improved residential land concerns title, water, sewer/on-site sewage system, structural, systems and fixtures, homeowners' association/common interests, environmental, and manufactured and mobile homes.

The disclosure statement must be provided within five business days, or as otherwise agreed to, after mutual acceptance of a written purchase agreement between a buyer and a seller. Within three business days of receiving the disclosure statement, the buyer has the right to approve and accept the statement or rescind the agreement for purchase. If the seller fails to provide the statement, the buyer may rescind the transaction until the transfer has closed. If the disclosure statement is delivered late, the buyer's right to rescind expires three days after receipt of the statement.

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Transfer to a buyer who expressly waives receipt of the disclosure statement is exempt. However, if the answer to any of the questions in the Environmental section would be "yes," the buyer may not waive receipt of that section.

Summary of Bill: <u>Unimproved Residential Real Property Disclosure Statement.</u> A question is added to the disclosure statement under the section other facts. The seller must disclose if the property is located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services.

<u>Improved Residential Real Property Disclosure Statement.</u> A question is added to the disclosure statement under the section other facts. The seller must disclose if the property is located within a city, county, or district or within a department of natural resources fire protection zone that provides fire protection services.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill came about as a result of a 49,000 acre fire in my district, where a home and restaurant were destroyed. A homeowner near the fire was surprised her home was not in a fire protection district. It is an easy fact to find out because counties have maps showing the fire districts. It is a simple thing to add this provision to the seller disclosure form.

Persons Testifying: PRO: Senator Honeyford, prime sponsor.

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