
Business & Financial Services Committee

SB 6462

Brief Description: Concerning the seller's real estate disclosure regarding oil tank insurance.

Sponsors: Senators Angel and Mullet.

Brief Summary of Bill

- Adds a statement to the seller disclosure form to inform buyers if the real property under consideration utilizes an oil tank for heating purposes.

Hearing Date: 2/20/18

Staff: Robbi Kesler (786-7153).

Background:

In real estate transactions for the sale of improved residential property and commercial real estate, absent an express waiver or exemption, sellers must provide buyers with a completed seller disclosure statement form. The statute specifies the format and questions that the seller must answer. The form includes a statement that disclosure is being made concerning the condition of the property and is provided based on the seller's actual knowledge of the property's condition at the time the form is completed. Required disclosures pertain to real property conditions such as title, water, sewer/septic system, structural conditions, systems and fixtures, legal restrictions, and other conditions.

The Pollution Liability Insurance Agency (PLIA) administers a program that provides, via a contracted insurer, up to \$60,000 in contamination cleanup insurance to registered owners of heating oil tanks. This program also provides technical assistance to heating oil tank owners, and helps fund upgrades of insured heating oil tanks to models that meet superior leak protection design criteria.

Summary of Bill:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The seller disclosure statement is amended to add a statement giving the buyer notice if the real property under consideration utilizes an oil tank for heating purposes and that there may be no cost insurance available from PLIA.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect on January 1, 2020.