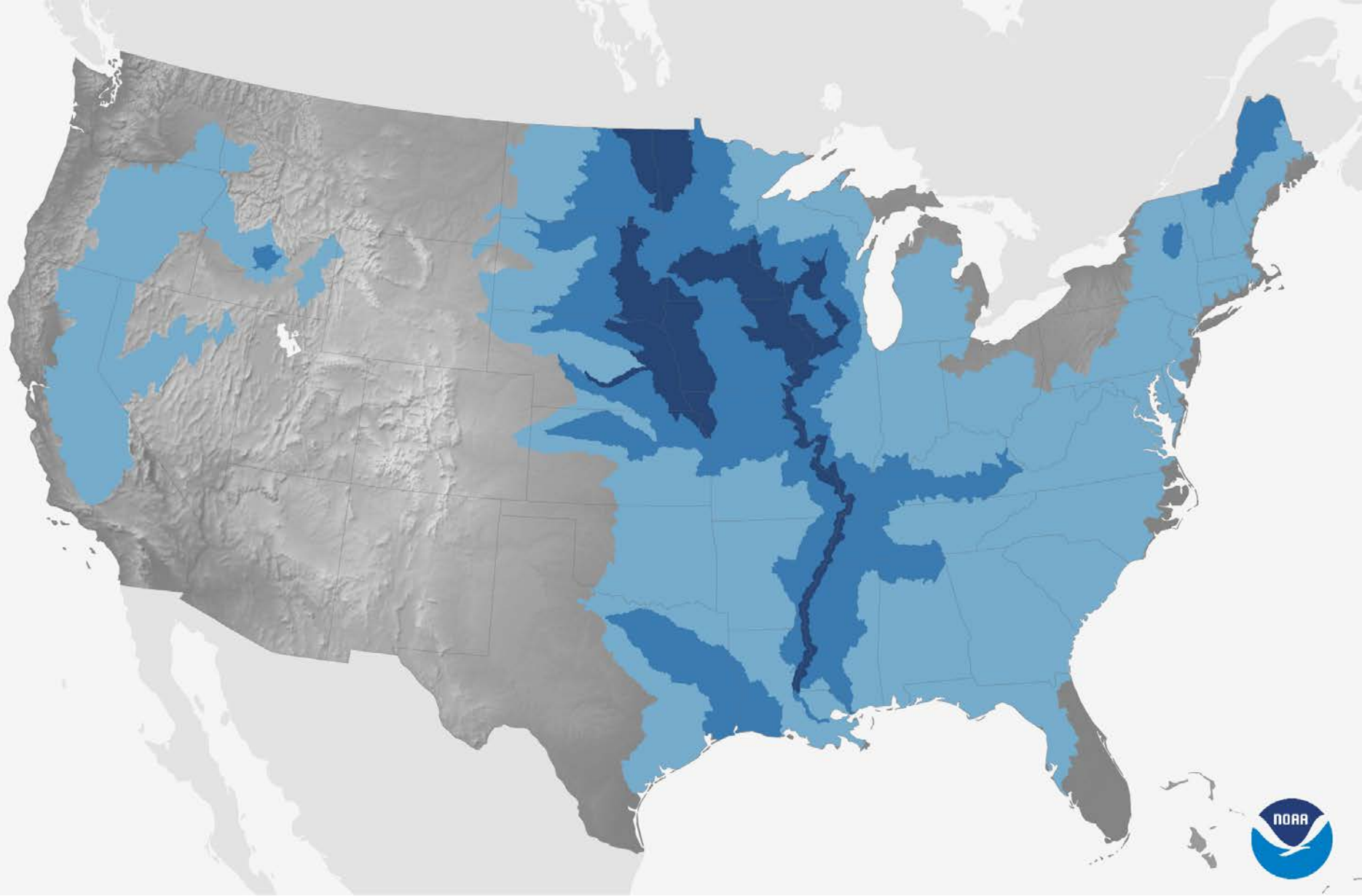


# Home Buyers Face Stacked Deck to Learn of Past Floods





Climate.gov  
Data: OWP

Flood Outlook  
for March - May  
Issued 2019 Mar 21

**Spring flood risk potential**

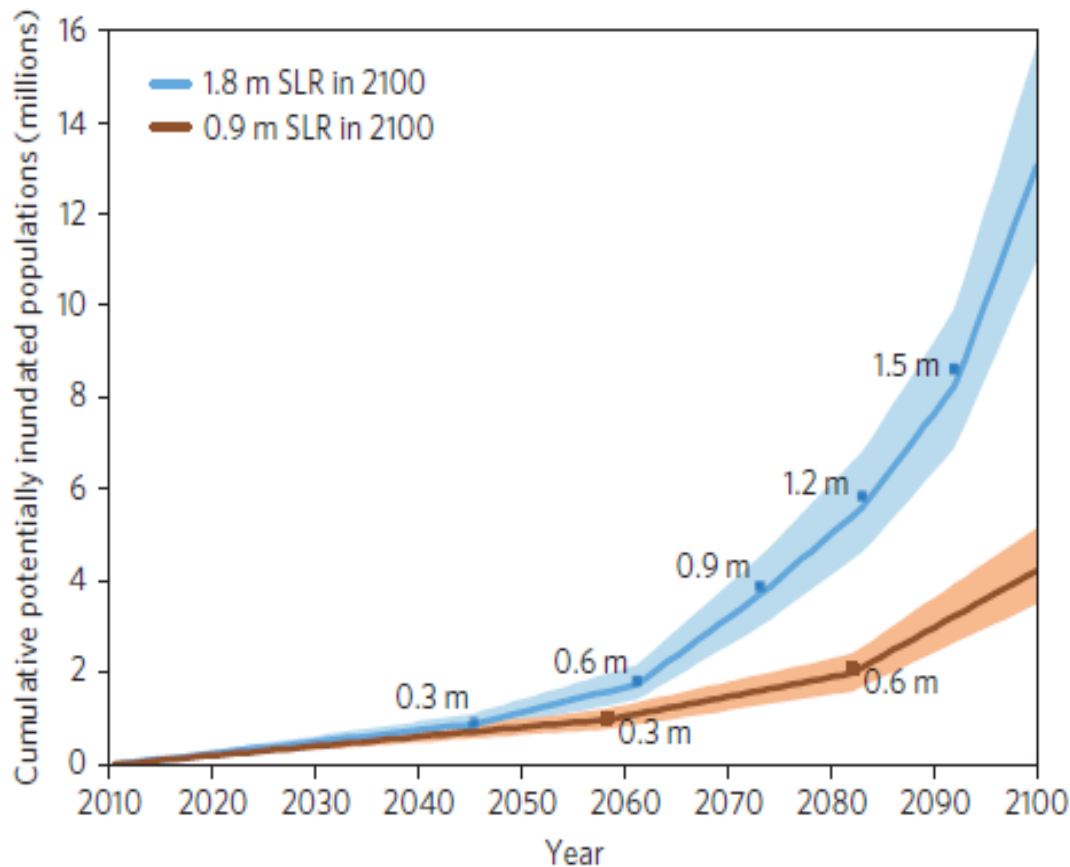


minor

moderate

major

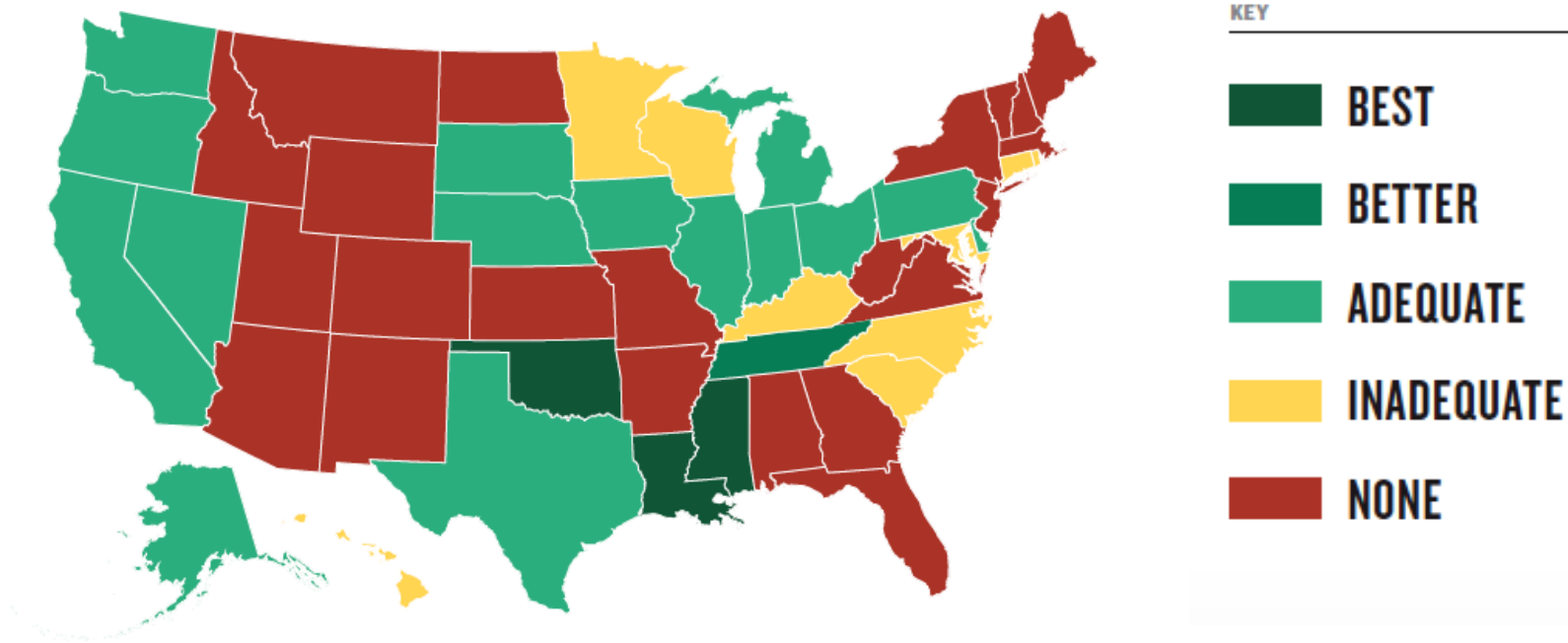
# Sea Level Rise, Extreme Weather, and Flooding



- By the end of this century, the homes of 4.2 to 13.1 million Americans could be inundated by rising sea levels.\*
- Under the current system, the NFIP will likely pay to rebuild these properties multiple times before they are ultimately inundated.

\*Matthew Hauer, Jason Evans, and Deepak Mishra; "Millions Projected to Be at Risk from Sea-Level Rise in the Continental United States," Nature Climate Change 6 (April 2016): 691-695

# FLOOD RISK DISCLOSURE LAWS



<https://www.nrdc.org/flood-disclosure-map>

# Missouri

**GRADE: F**

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Missouri has no statutory or regulatory requirements for a seller to disclose a property's flood risks or past flood damages to a potential buyer.

# Florida

**GRADE: F**

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Florida has no statutory or regulatory requirements for a seller to disclose a property's flood risks or past flood damages to a potential buyer.

# Ohio

GRADE: C

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Per Ohio's Disclosure law, a seller must disclose whether:

- the seller knows of any water or moisture-related damage to floors, walls or ceilings as a result of flooding;
- the property is located in a designated floodplain;
- and the seller knows of any previous or current flooding problem affecting the property.

# Louisiana

## GRADE: A

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Per Louisiana's disclosure law, the Real Estate Commission developed mandatory property disclosure requirements. The seller must divulge whether:

- any flooding, water intrusion, accumulation, or drainage problems had been experienced with respect to the land and, if so, the nature and frequency of the defect;
- the property is in a flood zone, and if yes, the flood zone classification of the property and the source and date of information;
- any structure on the property has ever taken water on by flooding and if so, the nature and frequency of the defect;
- there is flood insurance on the property;
- the seller and/or previous owner was a recipient of federal disaster aid that would require an owner to obtain and maintain flood insurance on the property, and if yes, the type of aid and amount received.



# Aspects of a Good Disclosure Law

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America's home buyers should have the right to know the following:

- Whether a home has ever flooded, and if so, how many times and at what cost.
- If the home is located within a designated floodplain (i.e. 100- or 500-year floodplain).
- If flood insurance is required.

# Flood Facts

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## Homeowner Right to Know

- Insurance coverage requirements
- Damage assessments
- Payment of claims.

## Public Right to Know

- Current and historical flood policy information
- Current and historical claims information
- Repetitive and Severe Repetitive Loss Properties
- Whether a majority of properties in participating communities were built before or after the effective date of the first FIRM
- Community compliance status

# Support for Disclosure and Transparency

May 6, 2019

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, DC 20510

The Honorable Nancy Pelosi  
Speaker of the House  
United States House of Representatives  
Washington, DC 20515

revolving loan program to fund low-interest loans to mitigate risk to NFIP properties. Such a program could help buy out the owners of repeatedly flooded properties.

Other reforms that could help change the financial trajectory of the NFIP and improve disaster preparedness include requiring communities to develop plans to address areas that repeatedly flood, accelerating and improving the mapping of areas prone to inundation, and expanding the

We support solutions that would reduce the risk borne by taxpayers and the government while creating more resilient communities. One of these simple, commonsense solutions would require sellers to disclose flood risk to homebuyers.

Since 2000, flood-related disasters have caused over \$800 billion in overall losses, placing a huge strain on the NFIP's finances and requiring billions in federal disaster aid. In 2018, Hurricane Michael was the strongest storm to strike the Florida panhandle, and Hurricane Florence's record rainfall was the costliest storm that North Carolina has endured. While much of the devastation in recent years has occurred in coastal areas, inland communities have also been dealing with the high costs of flooding. From the beginning of 2009 through 2018, six of the eight states that experienced the most flood-related disaster declarations were in landlocked parts of the country. This is a national problem, and we must be vigilant across the country in managing flood risks.

One reason for such severe and pervasive damage is that the federal government pays to repeatedly rebuild the same structures in flood-prone areas. From our decades of work in managing and preparing for disasters, we have found Congress to be a reliable partner in helping communities following floods, but continuing to rebuild these structures in the same way simply does not make sense. By incentivizing Americans to live in vulnerable areas without taking steps to mitigate the risk, the NFIP gives property owners a false sense of security. In the absence of reforms, costs in taxpayer dollars and lives lost will only get worse.

We support solutions that would reduce the risk borne by taxpayers and the government while creating more resilient communities. One of these simple, commonsense solutions would require sellers to disclose flood risk to homebuyers. Additionally, we support the creation of a state-

Brock Long  
FEMA Administrator, 2017-2019

W. Craig Fugate  
FEMA Administrator, 2009-2017

R. David Paulison  
FEMA Administrator, 2005-2009

James Lee Witt  
FEMA Administrator, 1993-2001

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[www.nrdc.org](http://www.nrdc.org)