



General Assembly

January Session, 2019

***Raised Bill No. 907***

LCO No. 4327



Referred to Committee on INSURANCE AND REAL ESTATE

Introduced by:  
(INS)

***AN ACT CONCERNING THE RESIDENTIAL DISCLOSURE REPORT  
AND CRUMBLING CONCRETE FOUNDATIONS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (d) of section 20-327b of the general statutes is  
2 repealed and the following is substituted in lieu thereof (*Effective*  
3 *October 1, 2019*):

4 (d) The Commissioner of Consumer Protection shall prescribe the  
5 written residential disclosure report required by this section and  
6 sections 20-327c to 20-327e, inclusive, as amended by this act. The  
7 written residential disclosure report shall be based upon a template  
8 that the commissioner shall prescribe. Such template shall: Fit on pages  
9 being not more than eight and one-half inches in height and eleven  
10 inches in width, with type size no smaller than nine-point type, other  
11 than checkboxes or section headers, which may be in a smaller size;  
12 include the address of the subject property on each page; include page  
13 numbers on each page; include section headings in bold type and  
14 include space for the buyer and the seller's initials on each page, except  
15 the signature page. The report shall contain the following, in the order

16 indicated:

17 (1) A section entitled "Instructions to Sellers"

18 You MUST answer ALL questions to the best of your knowledge.

19 Identify/Disclose any problems regarding the subject property.

20 YOUR REAL ESTATE LICENSEE CANNOT COMPLETE THIS  
21 FORM ON YOUR BEHALF.

22 UNK means Unknown, N/A means Not Applicable.

23 If you need additional space to complete any answer or explanation,  
24 attach additional page(s) to this form. Include subject property  
25 address, seller's name and the date.

26 (2) Pursuant to the Uniform Property Condition Disclosure Act, the  
27 seller is obligated to answer the following questions and to disclose  
28 herein any knowledge of any problem regarding the following:

29 (A) A subsection entitled "Subject Property"

30 (i) Name of seller(s)

31 (ii) Street address, municipality, zip code

32 (B) A subsection entitled "General Information"

33 (i) Indicate the YEAR the structure was built:

34 (ii) Indicate HOW LONG you have occupied the property: If not  
35 applicable, indicate with N/A.

36 (iii) Does anyone else claim to own any part of your property,  
37 including, but not limited to, any encroachment(s)? If YES, explain:

38 (iv) Does anyone other than you have or claim to have any right to  
39 use any part of your property, including, but not limited to, any  
40 easement or right-of-way? If YES, explain:

41 (v) Is the property in a flood hazard area or an inland wetlands  
42 area? If YES, explain:

43 (vi) Do you have any reason to believe that the municipality in  
44 which the subject property is located may impose any assessment for  
45 purposes such as sewer installation, sewer improvements, water main  
46 installation, water main improvements, sidewalks or other  
47 improvements? If YES, explain:

48 (vii) Is the property located in a municipally designated village  
49 district, municipally designated historic district or listed on the  
50 National Register of Historic Places? If YES, explain:

51 (viii) Special Statement: Information concerning village districts and  
52 historic districts may be obtained from the municipality's village or  
53 historic district commission, if applicable.

54 (ix) Is the property located in a special tax district? If YES, please  
55 explain:

56 (x) Is the property subject to any type of land use restrictions, other  
57 than those contained within the property's chain of title or that are  
58 necessary to comply with state laws or municipal zoning? If YES,  
59 explain:

60 (xi) Is the property located in a common interest community? If  
61 YES, is it subject to any community or association dues or fees? Please  
62 explain:

63 (xii) Do you have any knowledge of prior or pending litigation,  
64 government agency or administrative actions, orders or liens on the  
65 property related to the release of any hazardous substance? If YES,  
66 please explain:

67 (C) A subsection entitled "Leased Equipment"

68 Does the property include any Leased or Rented Equipment that  
69 would necessitate or obligate either of the following: The assignment

70 or transfer of the lease or rental agreement(s) to the buyer or the  
71 replacement or substitution of the equipment by the buyer? If YES,  
72 indicate by checking ALL items that apply: PROPANE FUEL TANK;  
73 WATER HEATER; SECURITY ALARM SYSTEM; FIRE ALARM  
74 SYSTEM; SATELLITE DISH ANTENNA; WATER TREATMENT  
75 SYSTEM; SOLAR DEVICES; MAJOR APPLIANCES; OTHER

76 (D) A subsection entitled "Mechanical/Utility Systems"

77 (i) Heating system problems? If YES, explain. List Fuel Types.

78 (ii) Hot water heater Type: Age: Hot water problems? If YES,  
79 explain:

80 (iii) Is there an underground storage tank? If YES, give AGE of tank  
81 and LOCATION.

82 (iv) Are you aware of any problems with the underground storage  
83 tank? If YES, explain:

84 (v) During the time you have owned the property, has there ever  
85 been an underground storage tank located on the property? If YES, has  
86 it been removed? If YES, what was the date of removal and what was  
87 the name and address of the person or business who removed such  
88 underground storage tank? Provide any and all written documentation  
89 of such removal within your control or possession by attaching a copy  
90 of such documentation to this form.

91 (vi) Air conditioning problems? If YES, explain: Air conditioning  
92 Type: Central; Window; Other

93 (vii) Plumbing system problems? If YES, explain:

94 (viii) Electrical System problems? If YES, explain:

95 (ix) Electronic security system problems? If YES, explain:

96 (x) Are there carbon monoxide or smoke detectors located in a  
97 dwelling on the property? If YES, state the NUMBER of such detectors

98 and whether there have been problems with such detectors;

99 (xi) Fire sprinkler system problems? If YES, explain:

100 (E) A subsection entitled "Water System"

101 (i) Domestic Water System Type: Public; Private Well; Other

102 (ii) If Public Water:

103 (I) Is there a separate expense/fee for water usage? If YES, is the  
104 expense/fee for water usage flat or metered? Give the AMOUNT and  
105 explain:

106 (II) Are there any UNPAID water charges? If YES, state the amount  
107 unpaid:

108 (iii) If Private Well:

109 Has the well water been tested for contaminants/volatile organic  
110 compounds? If YES, attach a copy of the report.

111 (iv) If Public Water or Private Well: Are you aware of any problems  
112 with the well, or with the water quality, quantity, recovery, or  
113 pressure? If YES, explain:

114 (F) A subsection entitled "Sewage Disposal System"

115 (i) Sewage Disposal System Type: Public; Septic; Cesspool; Other

116 (ii) If Public Sewer:

117 (I) Is there a separate charge made for sewer use? If YES, is it Flat or  
118 Metered?

119 (II) If it is a Flat amount, state amount and due dates:

120 (III) Are there any UNPAID sewer charges? If any unpaid sewer  
121 charges, state the amount:

- 122 (iii) If Private:
- 123 (I) Name of service company
- 124 (II) Date last pumped: AND frequency:
- 125 (III) For any sewage system, are there problems? If YES, explain:
- 126 (G) A subsection entitled "Asbestos/Lead"
- 127 (i) Are asbestos containing insulation or building materials present?  
128 If YES, location:
- 129 (ii) Is lead paint present? If YES, location:
- 130 (iii) Is lead plumbing present? If YES, location:
- 131 (H) A subsection entitled "Building/Structure/Improvements"
- 132 (i) Is the foundation made of concrete? If NO, explain:
- 133 (ii) Foundation/Slab problems or settling, including, but not limited  
134 to, problems or settling caused by pyrrhotite? If YES, explain:
- 135 (iii) Basement Water Seepage/Dampness? If YES, explain Amount,  
136 Frequency and Location:
- 137 (iv) Sump pump problems? If YES, explain:
- 138 (v) Do you have any knowledge of any testing or inspection done by  
139 a licensed professional related to a foundation on the property,  
140 including, but not limited to, any testing or inspection done by a  
141 licensed professional to determine whether a foundation on the  
142 property contains pyrrhotite? If YES, attach a copy of the report.
- 143 (vi) Do you have any knowledge of any repairs related to a  
144 foundation on the property, including, but not limited to, any repairs  
145 to remedy any deterioration of a foundation on the property due to the  
146 presence of pyrrhotite? If YES, explain:

147 (vii) Do you have any knowledge related to the presence of  
148 pyrrhotite in a foundation on the property? If YES, explain:

149 [(vii)] (viii) Roof type; Age?

150 [(viii)] (ix) Roof leaks? If YES, explain:

151 [(ix)] (x) Exterior siding problems? If YES, explain:

152 [(x)] (xi) Chimney, Fireplace, Wood or Coal Stove problems? If YES,  
153 explain:

154 [(xi)] (xii) Patio/deck problems? If YES, explain:

155 [(xii)] (xiii) If constructed of Wood, is the Wood Treated or  
156 Untreated?

157 [(xiii)] (xiv) Driveway problems? If YES, explain:

158 [(xiv)] (xv) Water drainage problems? If YES, explain:

159 [(xv)] (xvi) Interior Floor, Wall and/or Ceiling problems? If YES,  
160 explain:

161 [(xvi)] (xvii) Fire and/or Smoke damage? If YES, explain:

162 [(xvii)] (xviii) Termite, Insect, Rodent or Pest Infestation problems?  
163 If YES, explain:

164 [(xviii)] (xix) Rot or Water damage problems? If YES, explain:

165 [(xix)] (xx) Is house insulated? If YES, Type: Location:

166 [(xx)] (xxi) Has a test for Radon been performed? If YES, attach a  
167 copy of the report.

168 [(xxi)] (xxii) Is there a Radon Control System in place? If YES,  
169 explain:

170 [(xxii)] (xxiii) Has a Radon control system been in place in the

171 previous 12 months? If YES, explain:

172 (I) The Seller should attach additional pages to further explain any  
173 item(s) above. Indicate here the number of additional pages attached:

174 (J) Questions contained in subparagraphs (A) to (I), inclusive, of this  
175 subdivision shall contain checkboxes indicating "yes", "no", "not  
176 applicable" or "unknown".

177 (3) The written residential disclosure report shall contain the  
178 following immediately below the questions contained in  
179 subparagraphs (A) to (I), inclusive, of subdivision (2) of this  
180 subsection:

181 A certification by the seller in the following form:

182 SELLER'S CERTIFICATION

183 "To the extent of the seller's knowledge as a property owner, the  
184 seller acknowledges that the information contained above is true and  
185 accurate for those areas of the property listed. In the event a real estate  
186 broker or salesperson is utilized, the seller authorizes the brokers or  
187 salespersons to provide the above information to prospective buyers,  
188 selling agents or buyers' agents.

T1 .... (Date) .... (Seller)

T2 .... (Date) .... (Seller)"

189 (4) The written residential disclosure report shall contain the  
190 following in a separate section immediately below the seller's  
191 certification:

192 IMPORTANT INFORMATION

193 (A) RESPONSIBILITIES OF REAL ESTATE BROKERS

194 This report in no way relieves a real estate broker of the broker's  
195 obligation under the provisions of section 20-328-5a of the Regulations



196 of Connecticut State Agencies to disclose any material facts. Failure to  
197 do so could result in punitive action taken against the broker, such as  
198 fines, suspension or revocation of license.

199 (B) STATEMENTS NOT TO CONSTITUTE A WARRANTY

200 Any representations made by the seller on the written residential  
201 disclosure report shall not constitute a warranty to the buyer.

202 (C) NATURE OF DISCLOSURE REPORT

203 This Residential Property Condition Disclosure Report is not a  
204 substitute for inspections, tests and other methods of determining the  
205 physical condition of property.

206 (D) INFORMATION ON THE RESIDENCE OF CONVICTED  
207 FELONS

208 Information concerning the residence address of a person convicted  
209 of a crime may be available from law enforcement agencies or the  
210 Department of Public Safety.

211 (E) BUILDING PERMITS AND CERTIFICATES OF OCCUPANCY

212 Prospective buyers should consult with the municipal building  
213 official in the municipality in which the property is located to confirm  
214 that building permits and certificates of occupancy have been issued  
215 for work on the property.

216 (F) HOME INSPECTION

217 Buyers should have the property inspected by a licensed home  
218 inspector.

219 (G) CONCRETE FOUNDATION

220 Prospective buyers may have a concrete foundation inspected by a  
221 licensed professional engineer who is a structural engineer for  
222 deterioration of the foundation due to the presence of pyrrhotite.

223 (5) The written residential disclosure report shall contain the  
224 following immediately below the statements contained in  
225 subparagraphs (A) to (G), inclusive, of subdivision (4) of this  
226 subsection:

227 A certification by the buyer in the following form:

228 BUYER'S CERTIFICATION

229 "The buyer is urged to carefully inspect the property and, if desired,  
230 to have the property inspected by an expert. The buyer understands  
231 that there are areas of the property for which the seller has no  
232 knowledge and that this disclosure statement does not encompass  
233 those areas. The buyer also acknowledges that the buyer has read and  
234 received a signed copy of this statement from the seller or seller's  
235 agent.

T3 .... (Date) .... (Seller)

T4 .... (Date) .... (Seller)"

236 Sec. 2. Section 20-327c of the general statutes is repealed and the  
237 following is substituted in lieu thereof (*Effective October 1, 2019*):

238 On or after January 1, 1996, every agreement to purchase residential  
239 real estate, for which a written residential condition report is required  
240 pursuant to section 20-327b, as amended by this act, shall include a  
241 requirement that the seller credit the purchaser with the sum of five  
242 hundred dollars at closing should the seller fail to furnish the written  
243 residential condition report as required by sections 20-327b to 20-327e,  
244 inclusive, as amended by this act, provided this section shall not be  
245 construed to excuse the seller from disclosing to the purchaser any  
246 facts that are within the seller's actual knowledge concerning (1)  
247 foundation or slab problems or settling caused by pyrrhotite, (2) any  
248 testing or inspection done by a licensed professional to determine  
249 whether a foundation on the property contains pyrrhotite, (3) any  
250 repairs to remedy any deterioration of a foundation on the property

251 due to the presence of pyrrhotite, or (4) the presence of pyrrhotite in a  
252 foundation on the property.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2019</i>	20-327b(d)
Sec. 2	<i>October 1, 2019</i>	20-327c

**Statement of Purpose:**

To require a seller to disclose to a purchaser in the "Residential Condition Report" any facts that are within the seller's actual knowledge concerning (1) the presence of pyrrhotite in the concrete foundations located on the seller's property, (2) any testing or inspection done by a licensed professional to determine whether such foundations contain pyrrhotite, (3) any foundation deterioration, problems or settling caused by the presence of pyrrhotite in such foundations, and (4) any repairs to remedy such deterioration, problems or settling.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*