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BREAKING NEWS: NEW YORK PASSES FLOOD RISK DISCLOSURE FOR HOMEBUYERS

New York, NY—Climate change is no longer an abstract threat for New York residents. Coastal flooding (i.e., tropical storms, hurricanes, nor’easters, sea level rise, and storm surge), and stormwater flooding (i.e., more frequent), and intense precipitation events are hitting New York hard.

Across the state, disaster declarations due to flooding have been declared in every county in the past 10 years alone. Flooding is the most common climate-related hazard in New York.1

The historic passage of this legislation today (Senate Bill 5400/Assembly Bill 1967) fixes a loophole that allows home sellers to avoid disclosing flooding history and risk by paying a $500 credit to the buyer at the time of sale.

Waterfront Alliance and the Rise to Resilience Coalition are thrilled to have spearheaded advocacy around this legislation. Thanks to the continued leadership of State Senator Brad Hoylman-Sigal, Assemblymember Robert Carroll, and the New York City Mayor’s Office of Climate and Environmental Justice, New York is now on its way to becoming one of 30 states across the nation with a robust flood disclosure law.

Flood disclosure is a necessary tool for communicating flood risks to New Yorkers on the frontlines of climate change. Flood disclosure meets a fundamental goal of bringing awareness and transparency of climate risk to all residents. Awareness of flood risk helps people take the necessary steps to protect themselves and their properties and better plan for the future. Risk awareness can change patterns of behavior related to flood insurance, increasing uptake by up to 15 percent or more.4

Last year, New York successfully passed a flood risk disclosure law for renters, but homebuyers were not included in the legislation and, until today, were not guaranteed a right to know their flood risks. The bill also adds additional questions related to flood risk and history to the Property Condition Disclosure Statement, such as whether a property:

- Is in a Federal Emergency Management Agency (FEMA) designated flood area, such as the area subject to a 100-year or 500-year flood;
- Is subject to any requirement under federal law to obtain and maintain flood insurance on the property;
- Has a FEMA elevation certificate available for it; and
- Has had a claim for flood damage to the property filed with any insurance provider, including the National Flood Insurance Program.
In states where flood risks are high, like New York, disclosure laws are an important first step in our nationwide challenge to become more resilient to the effects of climate change. These laws provide consumer protection, awareness, and transparency around risks that are hard to otherwise see or predict.

"Knowing the flood risk and history of a home is a critical part of the decision to purchase a home. Today, the New York Legislature passed a historic flood disclosure bill (S5400/A1967) that would guarantee a flood risk right-to-know for prospective homebuyers across the State, building off the success of last year’s renter disclosure bill (S5472A/A7876A). Over the last three years, Waterfront Alliance and the Rise to Resilience Coalition have spearheaded the advocacy efforts for flood disclosure with the leadership of State Senator Brad Hoylman-Sigal and Assemblymember Robert Carroll.

This legislation amends a loophole few people except for real estate lawyers were aware of – a loophole that allowed people selling a home to avoid revealing anything about how flood waters may have previously damaged the property, putting the assets of new families, retirees, and in fact, all New Yorkers at risk. New York State is now on its way to becoming a nationwide leader in flood disclosure. Waterfront Alliance and the Rise to Resilience Coalition strongly encourage Governor Hochul to expeditiously sign this legislation into law as we head into 2023 hurricane season," said Cortney Koenig Worrall, President and CEO, Waterfront Alliance.

State Senator Brad Hoylman-Sigal said, “Our latest flood disclosure legislation, which just passed the New York State Legislature, adds flood risk information to the property disclosure statement sellers provide their potential buyers, and requires that sellers provide that statement. This could save New Yorkers thousands, giving home buyers tools and negotiating leverage to adequately assess the risks of a property. New Yorkers can now make more informed decisions about where they choose to call home.”

“I am proud to have sponsored this legislation to ensure that homebuyers have the information about flooding they need to make informed choices on how best to protect their homes and their families. As we work to fight climate change, we also have to take measures in response to the harm it is causing. I want to thank the Rise to Resilience Coalition for their tenacious work in securing the passage of this legislation,” said Assemblymember Robert Carroll.

Purchasing a home is one of the most significant financial decisions most people will make during their lifetime and, especially with our rapidly changing climate, people deserve to have access to the flooding history of the property,” said NYC Chief Climate Officer and DEP Commissioner Rohit T. Aggarwala. “I’d like to thank Senator Hoylman, Assembly Member Carroll and the Waterfront Alliance for their leadership in securing passage of this common sense legislation.”

“Today, New York has become a leader in granting home buyers the right to know a property’s flood risk. This is a big win for consumer protection in the face of worsening flooding statewide. Thank you to Senator Hoylman-Sigal and Assemblymember Carroll for their leadership,” said Joel Scata, Senior Attorney, Natural Resources Defense Council.

“Today, state lawmakers stood up for New York home buyers and their right to know critical flood risk information before purchasing a home. Environmental Defense Fund (EDF) thanks the leadership of
Senator Hoylman-Sigal, Assemblymember Carroll, Speaker Heastie, Majority Leader Stewart-Cousins and others for passing Senate Bill 5400/Assembly Bill 1967. If signed by the governor, this bill will close a loophole that allows sellers to pay $500 to avoid disclosing information about a property's known flood history,” said Kate Boicourt, New York-New Jersey Director of Climate Resilient Coasts and Watersheds for Environmental Defense Fund. “Impacts from Hurricanes Irene, Lee, Sandy, Ida and a multitude of unnamed regular storms have demonstrated that this knowledge is incredibly important. Disclosure helps residents act – retrofit, build better, purchase flood insurance or even evacuate ahead of a major storm. In the middle of hurricane season, this decision couldn't have come soon enough.”

“As rain events and flooding become more frequent and severe due to climate change homebuyers in the Long Island Sound Region and across the State of New York must have the information they need in order to protect their assets and their families. We at Save the Sound applaud the New York Assembly and Senate for pushing forward to give homebuyers the right to know the related flood risks,” said David Ansel, Vice President of Water Protection, Save the Sound.

Flooding is the single greatest natural hazard facing New Yorkers throughout the state. This legislation will help home buyers make more informed decisions about flood risk. Nobody should lose their home because they did not have adequate information about past flooding, flood insurance, or flood hazard maps prior to making a purchase decision. The New York State Floodplain and Stormwater Managers Association is a Statewide not for profit organization dedicated to reducing flood damages in New York State and is pleased that the bill passed. We encourage Governor Hochul to sign the legislation,” said Bill Nechamen and Janet Thigpen, Co-Chairs, New York State Floodplain and Stormwater Managers Association Policy Committee.

“With sea levels rising in New York City nearly twice as fast as the global average, educating New Yorkers about their property’s flood risk has never been more important. New Yorkers deserve transparency so that they are empowered to make informed decisions about their family’s futures, and this bill is a huge step forward towards giving them the knowledge they need. Thanks to this law, new homeowners will be more prepared when making important and life-changing financial decisions. We applaud Assemblymember Carroll and Senator Hoylman-Sigal for helping new homeowners stay resilient to climate change,” said Christie Peale, CEO and Executive Director, Center for NYC Neighborhoods.

Andrew Williams, Deputy Director of State Policy for the New York League of Conservation Voters said, “The New York League of Conservation Voters commends the State Senate and Assembly for passing S. 5400/ A. 1967. Even as we work to stem the tide of climate change, the fact is that sea levels are already rising and will continue to do so for the foreseeable future. This bill, which requires disclosure of flood insurance information on property condition statements, provides the transparency New Yorkers need so they can make decisions based on today’s reality, not yesterday’s wishful thinking. We thank Senator Brad Hoylman-Sigal for sponsoring this measure and we are grateful to Senate Leader Andrea Stewart-Cousins for continuing to prioritize the environment in the final days of the legislative session.”
Waterfront Alliance and Rise to Resilience

For 16 years the Waterfront Alliance has served as the New York-New Jersey region’s advocate for coastal resilience, waterfront access, and the working waterfront, and has enlisted more than 1,100 Alliance partners along the way. Together, we build, transform, revitalize, and protect accessible waterfronts for all communities.

The Rise to Resilience Coalition (R2R), spearheaded by Waterfront Alliance, includes more than 100 organizations representing leaders in business, labor, environmental justice, volunteer organizations, scientists, environmental advocates, and design professionals collectively calling on our federal, state, and local governments to make building climate resilience an urgent priority.

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