

2026 Regular Session

HOUSE BILL NO. 1166

BY REPRESENTATIVE CARVER

REAL ESTATE: Requires property disclosures for vacant residential property

1 AN ACT

2 To amend and reenact R.S. 9:3196(introductory paragraph), (2), (4), and (6), 3197(A),
3 (B)(introductory paragraph), (3), (8), (9), and (12), 3198 (A)(1) and (2)(a), 3198.1(A)
4 and (B), and 3199(A), and R.S. 37:1455(A)(introductory paragraph) and (33), and
5 to enact R.S. 9:3196(7), relative to real estate; to provide for definitions; to require
6 certain disclosures; to provide for the duties of sellers and real estate agents; to
7 provide for applicability and exemptions; to provide for penalties; to provide for an
8 effective date; and to provide for related matters.

9 Be it enacted by the Legislature of Louisiana:

10 Section 1. R.S. 9:3196(introductory paragraph), (2), (4), and (6), 3197(A),
11 (B)(introductory paragraph), (3), (8), (9), and (12), 3198 (A)(1) and (2)(a), 3198.1(A) and
12 (B), and 3199(A) are hereby amended and reenacted and R.S. 9:3196(7) is hereby enacted
13 to read as follows:

14 CHAPTER 8. RESIDENTIAL PROPERTY DISCLOSURE REQUIREMENTS

15 §3196. Definitions

16 As used in this Chapter, the following terms have the following meanings
17 ~~hereinafter ascribed to them:~~

18 * * *

19 (2) "Property disclosure document" means a document in a form prescribed
20 by the Louisiana Real Estate Commission, or a form that contains at least the

1 minimum language prescribed by the commission, which is presented by the seller
2 to the purchaser in the manner set forth in R.S. 9:3198(B) and which discloses, at a
3 minimum, known defects in ~~the~~ either residential real property or vacant residential
4 property.

5 * * *

6 (4) "Real estate contract" means any written agreement, entered into prior
7 to the perfection of the contract of sale or contract to lease or otherwise with an
8 option to purchase, which relates to the sale, offer for sale, purchase, offer to
9 purchase, lease with option to purchase, offer to lease with option to purchase, any
10 other option to purchase, or any other offer which includes an option to purchase any
11 residential real property, vacant residential property, or improvements thereon.

12 * * *

13 (6) "Seller" means an owner of residential real property or vacant residential
14 property, whether an individual, partnership, corporation, or trust, who sells or
15 attempts to sell residential real property or vacant residential property in a manner
16 described in R.S. 9:3197(A).

17 (7)(a) "Vacant residential property" means any land that is either legally
18 authorized to be used solely for residential purposes or is otherwise classified or
19 intended for residential use and may include uninhabitable improvements or no
20 improvements including but not limited to slabs, utility connections, driveways,
21 walkways, fencing, wells, septic systems, sheds, and agricultural or storage
22 structures.

23 (b) "Vacant residential property" does not include the following:
24 (i) Residential real property as defined in this Section.
25 (ii) Any land that is legally authorized to be used for agricultural,
26 commercial, industrial, or other nonresidential purposes.

1 §3197. Applicability; exemptions

2 A. The provisions of this Chapter ~~shall~~ apply to the transfer of any interest
3 in residential real property or vacant residential property, whether by sale, exchange,
4 bond for deed, lease with option to purchase, or any other option to purchase,
5 including transactions in which the assistance of a real estate licensee is utilized and
6 those in which such assistance is not utilized.

7 B. The provisions of this Chapter ~~shall~~ do not apply to any of the following:

8 * * *

9 (3) Transfers by a mortgagee who has acquired the residential real property
10 or vacant residential property at a sale conducted pursuant to a power of sale under
11 a mortgage or a sale pursuant to decree of foreclosure, or who has acquired the
12 vacant or residential property by a deed in lieu of foreclosure.

13 * * *

14 (8) Transfers of residential real property or vacant residential property that
15 will be converted by the purchaser into a use other than residential use.

16 (9) Transfers of residential real property or vacant residential property to a
17 spouse or relative in the line of consanguinity.

18 * * *

19 (12) Transfers from an entity that has acquired title or assignment of a real
20 estate contract to a piece of residential real property or vacant residential property
21 to assist the prior owner in relocating, as long as the entity makes available to the
22 purchaser a copy of the property disclosure statement, any inspection reports if any
23 furnished to the entity by the prior owner, or both.

24 * * *

25 §3198. Duties of the seller; delivery of property disclosure document; termination
26 of real estate contract; information contained in document and inaccuracies;
27 required disclosure of information relative to homeowners' associations and
28 restrictive covenants; liability of seller

1 Section 2. R.S. 37:1455(A)(introductory paragraph) and (33) are hereby amended
2 and reenacted to read as follows:

3 §1455. Causes for censure, suspension, or revocation of license, registration, or
4 certification

5 A. The commission may censure a licensee, registrant, or certificate holder
6 or conditionally or unconditionally suspend or revoke any license, registration, or
7 certificate issued ~~under~~ pursuant to this Chapter, levy fines, or impose civil penalties
8 not to exceed five thousand dollars, or impose continuing education requirements on
9 licensees, registrants, or certificate holders if, in the opinion of the commission, a
10 licensee, registrant, or certificate holder is performing or attempting to perform or
11 has performed or has attempted to perform any of the following acts:

12 * * *

13 (33) Failure by a licensee ~~to provide~~ who represents a buyer or seller ~~with~~
14 ~~a written property disclosure form for sales and certain leases involving residential~~
15 ~~real property pursuant to~~ of residential real property or vacant residential property
16 to inform such buyer or seller of the duties and rights regarding the written property
17 disclosure form requirements pursuant to R.S. 9:3196 et seq.

18 * * *

19 Section 3. This Act shall become effective January 1, 2027.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 1166 Engrossed 2026 Regular Session Carver

Abstract: Requires a vacant property disclosure form in real estate transactions and requires distribution of certain information to buyers and sellers.

Present law defines "property disclosure document", "real estate contract", and "seller".

Proposed law retains present law but also defines "vacant residential property" and includes the term within the definitions of "property disclosure document", "real estate contract", and "seller".

Present law provides for the applicability of present law and provides exceptions.

Proposed law retains present law and adds vacant residential property relative to applicability and certain exceptions.

Present law establishes duties and liabilities for the sellers of property, requires a property disclosure, and permits termination of real estate contracts under certain circumstances.

Proposed law retains present law and adds vacant residential property.

Present law requires a state or local law enforcement agency to report contamination to the Dept. of Environmental Quality when it becomes aware that a residential real property has been contaminated by its use as a clandestine methamphetamine drug lab and provides a mechanism for publishing to the public.

Proposed law retains present law and adds vacant residential property.

Present law requires a real estate licensee representing a seller of residential real property to inform the seller of the duties and rights established in present law. Also requires a real estate licensee representing a buyer of residential real property to inform the buyer of such duties and rights.

Proposed law retains present law and adds vacant residential property.

Present law provides that a failure by a real estate licensee to provide a buyer or seller with a written property disclosure in certain circumstances is grounds for the commission to censure, suspend, revoke the license, registration, or certification of a real estate licensee, levy fines, impose civil penalties, or impose continuing education requirements.

Proposed law provides that failure by a licensee who represents a buyer or seller of residential real property or vacant residential property to inform the buyer or seller of the duties and rights regarding the written property disclosure form requirements pursuant to present law is grounds for the commission to censure, suspend, revoke the license, registration, or certification of a real estate licensee, levy fines, impose civil penalties, or impose continuing education requirements.

Effective Jan. 1, 2027.

(Amends R.S. 9:3196(intro. para.), (2), (4), and (6), 3197(A), (B)(intro. para.), (3), (8), (9), and (12), 3198 (A)(1), and (2)(a), 3198.1(A) and (B), and 3199(A), and R.S. 37:1455(A)(intro. para.) and (33); Adds R.S. 9:3196(7))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Make technical changes.