

# On the Verge of Government Shutdown, US House of Representatives Unanimously Votes to Amend...

Article By:

Alexander Dobrev

---

On the verge of government shutdown, the United States House of Representatives votes in a bipartisan 410-0 vote to...

... wait for it... amend the Interstate Land Sales Full Disclosure Act! Clearly, there is no time like the imminent shutdown of the federal government to tweak a 44-year-old piece of legislation.

Although this development comes at a curious time, it is a potentially very significant piece of legislation affecting all types of sellers of real estate property throughout the United States.

The Interstate Land Sales Full Disclosure Act (ILSA) became effective on April 28, 1969. Its initial objective was to protect the public from certain enterprising characters who identified the sale of swamp lands, mountain tops and the likes as a very lucrative business venture.

Fast forward to the “Great Recession” and we find ILSA transformed from a consumer shield to a powerful weapon used to great effect to “channel buyer’s remorse”. A key development in that transformation was a line of court decisions which held that a “lot” for purposes of ILSA includes a condominium unit. Combined with the buyer rescission rights contained in the law (for a seller’s failure to register), ILSA quickly became a favorite vehicle for purchasers seeking a way out of real estate deals they no longer liked.

Which brings us to H.R. 2600. The bill essentially seeks to specifically exempt condominium units from the registration and disclosure (but not from the anti-fraud) requirements of ILSA, which will be a significant limitation on a buyer’s rescission rights under current law.

The House passed the bill unanimously (by a 410 to 0) vote on September 26. As of this writing, it has been referred to the Senate’s Committee on Banking, Housing, and Urban Affairs.

©Lowndes, Drosdick, Doster, Kantor & Reed, PA, 2025. All rights reserved.

---

Source URL: <https://natlawreview.com/article/verge-government-shutdown-us-house-representatives-unanimously-votes-to-amend>