



FLTA Tallahassee Report

Serving Title Professionals Throughout Florida

www.flta.org

**249 East Virginia Street, Tallahassee, FL 32301
(800) 552-1065; (850) 681-6422; FAX (850) 681-6271**

Shelley Stewart, CLC, President

Lee Huszagh, Executive Secretary-Treasurer

PRESIDENT'S MESSAGE

- by Shelley Stewart, CLC

Thanks to all of you who attended the FLTA Winter Meetings in Tallahassee in February, and to those who worked so hard to put together informative hand outs and detailed analyses on pending legislation.

The Winter Session was a 2 ½ day jam-packed event! Many of the association committees met, including the Government Affairs; Judiciary and Political Outreach Committee; the CLT Institute; the Forms Committee; the Bylaws Review Committee; the Agents' Section; the Insurers' Section, and the Board of Directors. In addition to the committee meetings, the session provided a great forum in which to communicate and network with other industry professionals. The session concluded with a two hour CE credit open panel course discussion with Ray Wenger of the Florida Department of Financial Services. It was a great opportunity for all agents to get the questions answered directly from our regulator. Some of the highlights included:

- A title insurance license does not give the licensee the right to negotiate a short sale of the existing mortgage(s) as part of a closing or issuance of a title insurance policy.
- DFS wants to be certain that there is a licensed title agent in each office where the business of title insurance is being conducted. The agency must name one agent in charge per branch location and that agent must be on premises at all times (except lunches and vacations).
- There was a lengthy discussion on the new HUD-1 and where notary and survey charges should appear.

For more information about the DFS seminar and other topics from the Winter Meetings, please see the Agents' Section Blog at <http://floridatitleagent.wordpress.com>.

Thanks to the efforts of our Agents' Section Lobbyist, Julie Myers, teams of industry professionals consisting of agents and underwriters held private meetings with 14 different legislators on Wednesday, February 10th. On behalf of our industry, I would like to express my appreciation to those who participated in these legislative visits to educate our elected public officials on the value of title insurance industry to the Florida economy and the adverse effects that Senate Bill 260 would have on our industry, as well as the State of Florida, if passed. These visits were very productive and several of the legislators have requested follow up discussions. It is imperative that we keep in front of our legislators,

both in Tallahassee and in their home districts. In the near future, FLTA will be providing resource materials to assist you in reaching out and communicating with your local legislators. When it comes to having an impact on legislators, there is no substitute for a visit from a constituent, according to Julie. As she said at the meetings, if we were to look at this as an Olympic sport, a visit from a voter is worth gold and a visit from an employer or employee in the particular district is silver. Your commitment to visiting legislators in your district is vital to our success!

I would like to recognize the following legislators who took time out of their busy schedules to spend quality time with our membership during our reception on Tuesday night, to discuss the issues facing our industry:

Pat Patterson, R-26 (who is running for CFO)
Kevin Ambler (R-47, who is running for District 12 Senate seat)
Todd Marks (Republican running for House District 57)

The 2010 Legislative Session has begun and we have our work cut out for us! Please contact your legislators, stay informed on what is happening with the key bills that impact our industry and contribute to our PAC! Your commitment to our industry is more vital than ever – both through your grassroots efforts and your financial contributions.

I am pleased to report that there have been meetings scheduled for Zones 2, 3 and 6. During these meetings, the Zone VP and I explain SB 260 and urge agents' support in the way of contributions to our PAC, membership in our Association, and grassroots communications to other title agents they know. We have a great opportunity to educate and rally all the agents in Florida and I am so proud of the efforts being made in that arena.

I'd like to say special thanks to Zone 4 for hosting multiple "meet and greets" with agents and underwriters. You all have done a tremendous job getting the word out about the perils of SB 260 and the importance of being part of FLTA. As a wise person said at the Winter Meetings, if you aren't at the table, you're on the menu!

In conclusion, a special thanks to our sponsors who helped facilitate a successful winter session:

Affinity Mortgage Insurance - Attendees Reception
Alliant National Title - Continental Breakfast on Wednesday
ReQuire Release Tracking - Luncheon
Flag Insurance Services - Continental Breakfast on Thursday

Remember, the Legislative Session begins March 2nd. We will be reaching out to our membership to ask for their participation and involvement with their legislators during the entirety of this important 60 day session.

Thank you all and I hope to see you in Tallahassee this session!

Looking for an experienced closing & settlement company in New England?

Look no further than **ASSOCIATED ATTORNEY TITLE & CLOSING COMPANY, P.C.** We are an attorney owned title & closing company and are ready to assist in your closing needs.

We are licensed in all 6 New England states:

Connecticut, Massachusetts, Rhode Island, New Hampshire, Vermont & Maine.

Let our knowledgeable staff work with you on your next transaction.



**Contact us at
800-678-0174**

Serving New England for over 25 years
www.aatctitle.com Florida License # P113416

The Insureds Section Report – by Pat Hancock, Fidelity National Title – Section Chair

SUPPORT YOUR INDUSTRY – SUPPORT HB853

This year two legislative bills have been filed that will impact the business of title insurance if either are passed: House Bill 853 (filed by Representative Kevin Ambler) and Senate Bill 260 (filed by Senator Michael Bennett). The Florida Land Title Association is supporting House Bill 853 which it finds will improve the title insurance industry delivery system., and the Association strongly opposes Senate Bill 260 which the Association deems detrimental to the business of title insurance, the public and the State of Florida.

Brief Discussion of House Bill 853 – Supported by FLTA

There are various statutes that govern the business of title insurance. These statutes are spread here and there in the statute books and it is difficult to determine what statutes apply to our industry. House Bill 853 is proposed legislation that will migrate these various statutes into a brand new chapter numbered 637. All statutes that pertain to title insurance can then be readily found in new chapter 637.

Currently, regulation of the title insurance industry is cumbersome and confusing. The Office of Insurance Regulation regulates the title insurance companies. The Department of Financial Services regulates the title agents. These two governmental bodies essentially operate independently and the title insurance industry appears to be left with two bosses. It is believed that the insurers and the agents feel this bifurcated system

should be eliminated, and a single governmental entity should be in charge of the title insurance companies and agents. House Bill 853 will do this by creating a Division of Title Insurance to regulate the insurance companies and the agents.

Various members of FLTA have been working on improvements to the HB853 to include procedures for the rehabilitation/liquidation of a title insurer. The provisions under the current law, section 627.7865, are meager and do not address the issues that arise when a title insurer is relegated to rehabilitation or liquidation. The title insurers want to ensure that the title insurance policies remain in force under their own terms. Title policy claims should be handled fairly with the responsibility and liability thereunder, equitably shared among the remaining title insurers. More statutory guidance is the goal of the FLTA working meetings on this aspect.

There are other statutory amendments included in House Bill 853 which are needed to improve the delivery of title insurance in Florida. This proposed legislation also incorporates the findings and recommendations of the blue-ribbon Title Insurance Study Advisory Council, chaired by Lt. Gov. Kottkamp.

The Florida Land Title Association supports House Bill 853.

Brief Discussion of Senate Bill 260 – FLTA Opposes This Legislation

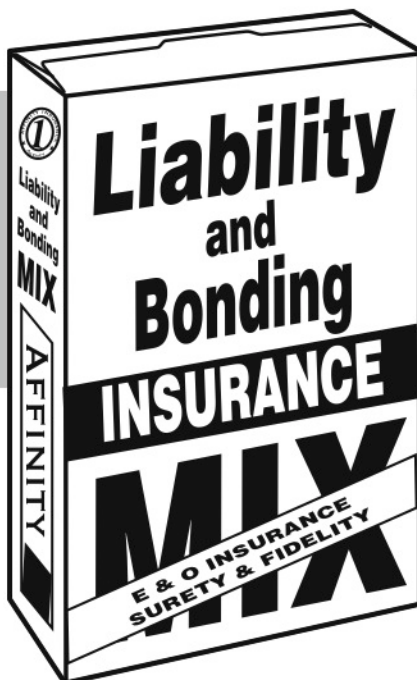
In stark contrast to House Bill 853, there is proposed by Senator Bennett Senate Bill 260. FLTA strongly opposes SB 260. Alan Fields, Chairman of the Governmental Affairs Committee has pointed out some problem areas with this proposed legislation:

- Establishing an underwriter only rate, with no portion of premium being paid to the agent. This fails to recognize the important function performed by agents in determining the insurability in title insurance. The title insurance agent plays a very different and much more substantive role than a property & casualty or life insurance agent and they earn their share of the premium.
- Eliminates the current statutory duty to set rates that maintain the solvency of the entire title insurance delivery system and could generate even more barriers to recovery.
- May actually increase premiums. There is a provision which provides for liability up to 3 times the policy limits if an insurer or agent is negligent in performing any of the activities leading up to the policy issuance.
- Fails to correct the bifurcated regulatory system that burdens our industry today.

Be Informed, Be Aware, Become Involved

In order to strengthen the integrity and professionalism of the title insurance industry, the FLTA and the industry needs the active support of title agents and insurers. Your help is crucial to continue the great public benefit the title insurance industry brings to citizens and businesses of Florida. Please let your legislators know that you support House Bill 853 and oppose Senate Bill 260. Talk to other agents in your area and let them know that FLTA is working on their behalf to promote their profession and the valuable service they provide to the consumers and the real estate industry.

Professional Liability (E&O) insurance has become a difficult issue for the title community. The marketplace is shrinking with carriers withdrawing, rates skyrocketing and restrictive endorsements becoming the norm.



Affinity has multiple E&O carriers each offering a quality policy and with our reputation and experience we have been able to negotiate competitive pricing.

In addition we have a new competitive Bonding program. We use a simple one page application and offer **3 year discounted premiums without any financials**

We have what you need and deserve...
Very digestible products!

If your current policies renew within the next 90 days, call, fax or email me for an application. If your current policies renew at a later time fax me a copy of your letterhead with the name of the carriers and renewal dates of your E&O and Bonds. We will send you a application about 75 days prior to your expiration dates.

AFFINITY INSURANCE AGENCY, INC.

THE Source for Professional Liability Insurance and Service

Lawrence A. Galpern, CPIA

Senior Vice President

10100 West Sample Road • Coral Springs, FL 33065

Tel 954-346-7711 • Fax 954-346-7788

Email lgalpern@profliability.com

We're SO HAPPY to have you with us!

In these tough economic times it can be difficult to find something to cheer about. FLTA membership has taken a beating like everything else in our world these days, but we do have something positive to report. The following is a list of very smart companies who have taken that first big step and joined our Association, or have rejoined after a short hiatus.

A Clear Title and Escrow Exchange

Joey Cormier
Venice, FL

Adams & Reese, LLP

David Boyette
Sarasota, FL

Alday-Donalson Title Agencies of FL

Kathy Burgner
Temple Terrace, FL

All American Title

Susan Luther
Brandon, FL

Coast Title Insurance Agency

Sandra McDermott
Palm Coast, FL

Community Land Title Ins Agency

Kay Hubbard
Tampa, FL

Elite Title Services

Michelle Salvato
Tampa, FL

Entitle Direct

Aaron Jacobstein
Stamford, CT

Fairview Title Company

Shelley Slater
Tampa, FL

Hillsborough Title

Aaron Dans
Tampa, FL

Mellex Market Group (d/b/a Mellex National Title Inc)

Melanie Levine
Sunrise, FL

New House Title, LLC

Becky Daly
Tampa, FL

Parker – Rose Title Agency, Inc

Janice Rose
Daytona Beach, FL

Premium Title Services, Inc

Gregory Roddy
Kennesaw, GA

Tampa Title Company

Gary Gibbons
Tampa, FL

2009 Upcoming Events

Sunday – Wednesday, February 28 – March 3

ALTA 2010 Federal Conference & Lobby Day, Washington, DC (visit alta.org for details)

TOWN HALL MEETINGS –

FLTA is sponsoring a series of Town Hall meetings in various locations throughout the State to discuss the issues and ramifications of SB 260 and to encourage all title agents to become involved in the fight to defeat this bill. Currently, meetings are scheduled in Broward and Miami-Dade on **March 2 & 3rd** and in Jacksonville on **March 11**. Visit the FLTA website at www.flta.org for additional dates and locations.

Friday – April 9

Deadline to apply for the CLS or CLC test being given June 12, 2010 (Study Outlines are always available on FLTA website; Application and Instructions for applying have now been updated on the site as well. They are also included in this letter (for your convenience!)

Wednesday, September 1

Deadline to apply for 2010 FLTA Scholarships*

Wednesday – Friday, November 3-6

FLTA's 2010 Annual Convention at Sawgrass Marriott, Ponte Vedra, FL*

*Details for these events will be made available at a later date

Legislative Update – BEWARE SB260

At the behest of the OIR, Senator Mike Bennett, (R) Bradenton has filed S.B. 260 which is identical to S.B. 444 filed last year by Senator Bennett. The bill is extremely hostile to the title insurance industry and is in opposition to the recommendations of the Title Insurance Study Advisory Council. A complete analysis of this bill is contained in the Governmental Affairs Legislative Bulletin previously sent to all members on November 19th and is posted in the Governmental Affairs Section of our FLTA website. Take the time to express your opposition to this bad bill to your local legislator. There is no house companion at this time.

CLS and CLC Test – 2010 - Here's the info you need!

Notice of 2010 Examinations for Certified Land-Title Searcher (CLS) and Certified Land-Title Closer (CLC) Designations

The examinations for the C.L.S. and C.L.C. designations will be held on Saturday, June 12, 2010. Notice of locations will be given with the application approval letters.

We urge you to encourage all of your qualified staff members to take the exam. Ten (10) hours of Continuing Education Credits will be earned for licensed agents who are successful in passing the exam.

To qualify for the examination, one must:

1. Have credible full-time experience in the state of Florida for at least a period of five (5) years must be met prior to application deadline, all with an Abstract or Title Insurance Company, or Agent thereof. Two (2) years experience out of state may be substituted for one (1) year of Florida Experience. The maximum out of state experience allowed will be four (4) years.
2. Submit to the C.L.T. Institute the following forms:
 - a. Completed questionnaire (C.L.C. or C.L.S.) from the applicant.
 - b. Completed Certification from the Manager, or in the event the Manager is the applicant, from their immediate supervisor, verifying the applicant's experience, position and qualifications for taking the examination.
 - c. Detailed resume of title insurance experience that includes: name, address, phone number, contact person, dates of employment of current and previous title insurance related positions. Must also give details of title insurance related duties and length of experience in each position held.

The Governing Council has set a charge for FLTA members of \$60.00 as the application fee and \$40.00 for the examination fee. The charge for Non-FLTA members is \$150.00 as the application fee and \$150.00 for the examination fee.

Both must be sent with the forms referenced in item 2 above. NOTE: Make checks payable to FLORIDA LAND TITLE ASSOCIATION, INC. ***These fees are non-refundable.***

(continued on next page)

So that applications may be processed in time, all applications, employer certifications, resume and fees due must be received by:

April 9, 2010

No applications will be accepted beyond this deadline!

Notice of approval of the applications, will be sent no later than May 7, 2010. All documents as well as payment should be forwarded to:

**Marcia G. Cameron, CLC/CLS
(Secretary of CLT Institute- FLTA)
First American Title Insurance Company
216 NE 1st Ave
Ocala, FL 34470**

Copies of the application, employer certification, resume forms and study outlines and guides for both tests are available at www.flta.org. then choose Certified Land Title Institute section, or can be obtained from the Association office by calling 800-552-1065. These forms must be used. Previous versions will be rejected. If your office does not already have The Basic Title Insurance Handbook (\$58.75- for FLTA members or \$85.62 for non-FLTA members- includes tax and shipping) and the supplement chapters from Florida Land Titles* book by H.D. Booth (\$24.00 - includes tax and shipping), copies are available from the FLTA office and are also helpful study aids.

If you have any questions, please contact Marcia Cameron, Institute Secretary, at (352) 732-7888 x 255; FAX (352) 732-6809, or by e-mail mcameron@firstam.com.

*The Supplement chapters are from the 1976 version of the Florida Land Titles book by H.D. Booth and are Chapters 1, 2, 3, 6, 7, 10, 11 and the Glossary. If you have access to the entire book – you do not need the Supplement

continued on next page)

Certified Land Title Institute Section
of the
Florida Land Title Association, Inc.
Application for examination for CLC/CLS designation

(EVERY BLANK MUST BE FILLED IN – PLEASE PRINT CLEARLY OR TYPE)

2010 **TENTATIVE** Test locations (pick ONE): ___ Daytona Beach ___ Ocala ___ Tallahassee ___ Tampa

Date _____ Applying as: _____ FLTA Member **OR** _____ NON-FLTA Member

Designation Application is for: _____ C.L.C _____ C.L.S. ☐ _____ Partial *

* Attach a copy of your notification letter identifying the part you need to re-take

Applicant Name (For Plaque) _____

Florida Licensed Title Agent: _____ Yes _____ No

(If **YES** – we need your **License #** (or SS#) & Date of Issue to report your CE credits after passing the test)

License Issue Date: _____ License #(or SS #) _____

Residence Address: _____

City, Zip Code _____ County _____

Name of Employer: _____

Business Address: _____

City, Zip Code _____ County _____

Applicant's Position: _____

Home Phone: _____ Work Phone: _____

Email Address: _____

I hereby certify that all information enclosed is true and correct.

Signature of Applicant: _____

Resume Form, Employer's Certification and fees must be included for application to be processed.

Deadline to Apply: April 9, 2010

(continued on next page)

RESUME FORM

Complete One Form for Present and All Previous Employers

Name of Applicant: _____

Name of Current Employer: _____

Name of Previous Employer: _____

Business Address: _____

Phone Number/Contact Person: _____

Full Dates of Employment: From: _____ To: _____

FLTA Member: ☐ Yes ☐ No

Position Held: _____

Detail of Title Insurance Duties and Length of Experience: _____

Complete this form for EACH Title Insurance Employer. Duplicate as needed.
Previous Employment must be verifiable to take test.
Be Sure Information is Complete!

(continued on next page)

EMPLOYER'S CERTIFICATION

Designation Applied for: _____ ☐ C.L.C. _____ ☐ C.L.S.

Applicant's Name: _____

The Applicant's CURRENT position and duties are: _____

Complete the following: The Applicant has been employed by this company since: _____

I have been the applicant's supervisor since: _____

This company has been a member of the Florida Land Title Association since: _____ **OR**
This company is currently NOT a member of the Florida Land Title Association _____ (Only check if applicable)

I, _____ being the immediate supervisor of the above named applicant, hereby certify that this applicant has a minimum of five years related experience as a **searcher / closer (circle one)** and is qualified to take the designated examination.

Company Name: _____

Address: _____

Telephone number(s): _____

Email Address: _____

Dated: _____

Signature of Immediate Supervisor

State of: _____

County of: _____

Sworn to before me this _____ day of _____, 20____,
by _____ who is personally know to me or produced
_____ as identification, and who (did) take an oath.

Notary Public
My Commission Expires: _____

THE END of the CLT Test Data

Title Professionals in Florida Choose Florida's E & O Expert for Professional Liability Insurance

(Fidelity & Surety Bonds, too)

Don't take our word for it. Get a no-obligation quote from FLAG. It's easy. Easy on you and easy on your budget!

FLAG is an independent insurance agency representing companies rated Superior and Excellent for financial stability and claim-paying ability. We've specialized in Professional Liability for close to 50 years.

Visit our Web site to download an application for Errors & Omissions, Surety and Fidelity Bonds:

www.flag4u.com,

or call us toll-free at **800-748-FLAG (3524)**

A proud member of



FLAG Insurance Services

Stuart, Florida 34994

DON'T FORGET TO SUPPORT OUR ASSOCIATE MEMBERS

If you are not a title insurance underwriter or title insurance agent, then you are an associate member. Many of us on the agency side have been classified as associate members when we join our local Realtor or builder trade associations. AGENTS - Remember how upset you were as a member of that local trade association when you find out other agents who are NOT members and not supporting the local programs seem to get a LOT of the title orders? Well, OUR associate members do more than “just pay associate dues”, too. They show up at our meetings and conventions, PAY for the privilege of having a spot to display their products, often contribute additional funds to our luncheons, receptions, banquets, etc AND pay to advertise in our programs, brochures, and YES!! the Newsletters!! **DON'T FORGET OUR ASSOCIATE MEMBERS!** When you need a new product or service, be sure to check the member list and give our Associates the FIRST opportunity to earn your business.

Indemnity Letters – Myths, Fables and Facts

- provided by Alan McCall of First American Title , Past President

Judging by the requests I get for an indemnity letter from other company's offices and agents, I wonder if there aren't a number of widely held myths and fables about them. I assume that if the other guy is unsure, our own offices and agents may be as well. Perhaps a brief overview of indemnity letters would be useful.

First, an indemnity letter is an agreement offered by one underwriter to another to protect against a title defect that was insured against by the issuer of the indemnity. It is offered as an inducement to the new underwriter to insure over the apparent defect sometimes while the offeror takes steps to clear it up after closing.

The letter is a thing of great value to both the giver and the receiver and is not issued as a matter of course without investigation, deliberation and cogitation just as if a claim was made, reviewed and settled. So, if a letter is requested at 10 am do not expect it to always go out by 4 pm.

There is no entitlement to a letter of indemnity as some may suppose. There is no law or rule that requires it to be issued. The company has the option of refusing to issue the letter to our competitors. Therefore, one should not close assuming that it will be issued just because it was requested. If it is an agent or office of the company who has requested the letter, the transaction should not be closed in reliance on the request until proof is received that the letter has been issued and is acceptable to the company to insure over a title defect.

A request for indemnity is the same as making a claim under the policy. In effect, the insured (through the closer of the new transaction) is putting his underwriter on notice that there may be a title defect for which the company may be liable. Just as in any other claim,

the underwriter must investigate whether or not it has liability by examining all pertinent facts and reviewing the policy, the closing protection letter or other form of undertaking. Many times my company receives a request for an indemnity either without a complete copy of the policy or with schedules missing from it. Sometimes, it appears that a legitimate exception was made to the alleged title defect. Or it appears that the seller in the current transaction declined to obtain title insurance when the property was purchased by quitclaim deed from the insured under the prior policy thus ending all the policy liability. In these and other similar circumstances, an indemnity letter might not be issued. Any omission of crucial information at the time of a request for indemnity can delay the issuance of the letter.

Even if the underwriter to whom the request for indemnity is made determines that there is liability for the defect in title, it may elect to handle the claim in some other manner such as by filing a law suit to determine the extent of its liability or to off-set it as against a third party who may have created the problem. Also, the underwriter may decide to cap its liability under a smaller policy rather than increase its liability by indemnifying a new underwriter whose policy might be a much greater amount.

Typically, indemnity letters between underwriters are useful when the defect can be eliminated through the payment of a sum certain. Where elimination of the defect may involve litigation, the outcome of which may be uncertain, the letter may not be sufficient. So, it is imperative to obtain the approval of my company before accepting an indemnity of any kind.

Florida has a mutual indemnity agreement between all underwriters (i.e. a "Treaty"). Treaties merely replace the need for a stand alone letter on routine defects covered by the agreement. A signatory usually requires that an agent or underwriter contact its own underwriter, not the other company, to determine whether reliance on the Treaty is acceptable. If it is acceptable, there is no need to contact the original policy issuer in order to obtain an indemnity letter. The indemnity arises automatically usually evidenced by retention in the file of the prior policy.

Whether extended by letter or automatically by mutual agreement, an inter-company indemnity benefits the insured whose closing might otherwise be delayed by common title defects such as a mortgage that was paid but whose lender failed to record the release. Without the indemnity, closing could be delayed for a period of time to enable a release to be tracked down or obtained by court order.

Requests for indemnity should be made politely and professionally. The underwriter who receives the request is not responsible for the fact that the closing already is scheduled. It is fair to ask a decision is expected on whether the indemnity will be offered so that the parties can be advised. Everyone should use the need for an indemnity as an opportunity to show that title insurers and agents are knowledgeable, helpful and professional and interested in trying to serve the best interests of the insureds and customers.

Introducing **SoftPro 360.**

Order Closing and Title Services directly from your **SoftPro Software.**

SoftPro 360 makes it faster, easier and more affordable for you to order closing, title and escrow services, and **you only pay for the products and services that you order, with no additional service charges* from SoftPro!**



360

NO ADDITIONAL SERVICE CHARGES!*

SoftPro 360 will make your business more productive – by eliminating the need for paper order forms, dual entry, faxes, emails, and phone calls – reducing the potential for error.

For more information on SoftPro 360, contact your SoftPro Sales Representative at **800-848-0143** or visit **www.softprocorp.com/360**.

BROUGHT TO YOU BY THE NATION'S #1 CLOSING AND TITLE SOFTWARE PROVIDER

SOFTPRO

A Division of Lender Processing Services

* SoftPro 360 is free to install; however, there are fees associated with orders placed with any of the vendors in the 360 vendor network.

A special “thanks” to our advertisers

We would like to extend a special thank you to our members that have taken the time to update their ad formats (including working with a novice in the publishing arena) and paid for the privilege of having a black and white ad included in this edition of our quarterly newsletter. We so appreciate your continued support of our Association.

Many thanks to:

Affinity Insurance Agency, Inc

Associated Attorney Title & Closings Co

FLAG Insurance Services

reQuire Release Tracking and

SoftPro

for contributing to this issue. We can't do it without you!

The Agent Section Report – by Beverly McReynolds, CLC – Section Chair

While our State Legislators are working on what is most important for the State of Florida: jobs, we have been working on what is most important for the Florida Land Title Association: members! Our Zone Vice Presidents (agents and underwriters alike) and local volunteers have started up what we hope to make annual events. We are holding various meetings within each Zone to inform the agents of what is happening in Tallahassee and to encourage membership.

The movement began when Vince Cassidy, an agent in Zone 4, sparked a local interest by sending emails to the agents in his area explaining his positive experience at our Annual Convention in November and the dangers that we are facing in Tallahassee. He received immediate and passionate response from the recipients of his communication. What a great idea and what an efficient use of technology! Because of all the interest generated, two meetings were scheduled. At these meetings Vince, Sue Geigle, Shelley Stewart, Jim Russick and Representative Kevin Ambler (the sponsor of HB 853 and a great friend to our industry) spoke about SB 260, HB 853/SB 1836 and the value of the FLTA. The immediate result was 6 new members and an increase in the attendance at the Winter Meetings by some of those same new members. More meetings are now scheduled in Zone 4, by Vince and Sue, Zone 6 and Zone 2 under the direction of Skip Strauss and Curtis McClung. Please see the Website for more information.

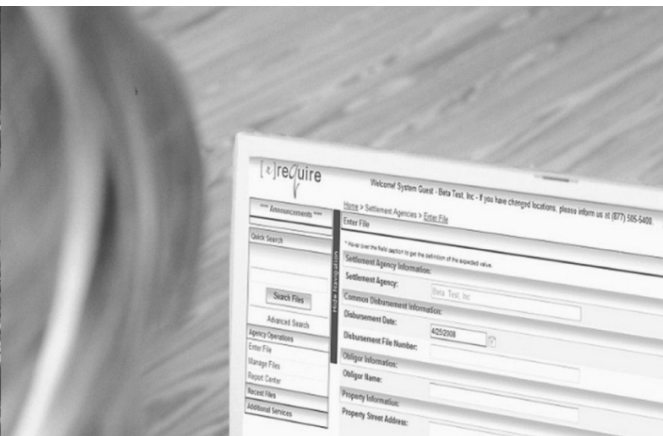
Many years ago at a Zone meeting, I became interested in the FLTA. Our wonderful past president, Marjorie Schwartz held a meeting in Zone 6 that was both informative and directed toward encouraging membership. At that time, I was working as a closer in a small agency. I was so impressed with the meeting that I insisted that my manager allow me to continue to attend FLTA events. This is where we grow our future leaders: not at conventions or in Tallahassee but at local events!

Over the years, the market changes and the downturn in business have not been kind to associations, in general. Now more than ever we at FLTA need to work on membership. We need to make our message more audible by simply having more voices. I encourage you to speak to the agents in your respective areas and let them know what the FLTA has been doing on their behalf. Schedule or attend local meetings and above all – be active. A few of us cannot carry the torch.



THE OLD WAY

- Delayed closing, claims and poor client perception.
- 36% of payoffs need to be cleaned up before closing.
- Unreleased liens cause stress for all involved.



THE [r] reRequire WAY

- Drive profits, efficiency, and compliance up, up, up!
- 100% of your liens – tracked, obtained and guaranteed – 100% of the time
- Leads to the best client service.

NEED RELEASE TRACKING? NO COST. NO RISK. RELY ON reRequire.

reRequire GUARANTEES RESULTS FOR SETTLEMENT AGENTS, ATTORNEYS,
TITLE AGENTS, UNDERWRITERS, ESCROW AND LENDERS.

How reRequire really works:

- **No-cost solution** – recoup your costs by adding a \$35 title tracking/release fee on the HUD-1.
- Use reRequire Payoff Disbursement Generator to capture and register Mortgage information within our database.
- reRequire reports the results of each Security Instrument in your secure reRequire webpage.
- Your information is accurate and available – 24 hours a day, 7 days a week.
- **No setup fees**, easy signup and you say goodbye to post-closing stress!

REGISTER NOW – FAST, FREE and EASY – at www.gorequire.com

117 Landmark Square • Virginia Beach, VA 23452 • 757.552.0306 • F: 757.552.0304

[r] reRequire
::RELEASE TRACKING::

Governmental Affairs Bulletin #2

As one of our legislators put it, “if you are not actively involved in the legislative process, the title industry will be on the menu.” In response to that very candid analysis and the number of bills we have already identified directly impacting our industry, Julie Myers, the Agent Section Government Affairs advisor arranged meetings with key legislators. During the Mid-Year Meeting, a number of our members went to the capital discuss issues of concern to the industry with committee chairmen and others. In every case, FLTA was received very graciously and our legislators came away with a much better understanding of some of the issues and the FLTA concerns. It was a very interesting learning experience for me, and something I would recommend to every title agent in Florida.

During the Mid-year meeting, the Government Affairs Committee again reviewed various bills which had been filed since our last meeting. There were a number which we felt had the potential to directly and negatively affect the Title Industry or real estate practices and liabilities. The committee’s recommendations were then forwarded to the FLTA Board of Directors for their consideration and adoption of formal positions.

A summary of those bills and the FLTA position is attached. During the course of the legislative session, many more bills will be filed and reviewed by FLTA.

HB 125 SB 854 Rental Property Foreclosure & Short Sales (H. Rogers S. Sobel) *

Requires lender to notify each tenant upon “consideration” of a foreclosure or short sale, and to offer right of first refusal to tenant at “fair market value”. Requires use of escrowed funds to cover transaction costs upon tenant exercise of right. If tenant elects not to acquire property, escrowed funds must be used to cover relo costs. Damages for failure to give timely notice include relo costs and atty fees.

This is likely unconstitutional in taking of escrowed funds which were otherwise pledged. It will impede short sales. There is a timing problem with notifying upon “Consideration” and a problem in defining the FMV of a property in foreclosure.

The granting of a right of a non-record (but discernible if a foreclosure has been filed) right of first refusal does generate a title cloud of a type that will be difficult if not impossible to clear.

“Additional Notes: A House panel on Tuesday, Jan. 12th shelved a rental property foreclosure bill sponsored by Rep. Hazel Rogers, D- Lauderhill. Part of the problem was that the bill had a "significant negative impact" on mortgage lenders according to the staff analysis. But legislators agreed that a later meeting they will take up a stripped-down measure that would require lenders to give renters prior notice before foreclosure or a short sale action. The House Civil Justice and Courts Policy Committee twice deferred action on HB 125, which in addition to providing notice, would also have required lenders to offer to sell the foreclosed property to a tenant for the fair market value of the property as well as require the lender to pay the mortgage escrow balance to the tenant. Committee Chairman

Rep Carl Domino, R-Juno Beach, agreed to revisit the legislation after Rogers said her bottom line is that she wants to set up a process that protects tenants, some of whom may receive federal subsidies for the housing, as well as taxpayers. "I'm just asking for notice to protect taxpayers who are paying for section 8 tenants and also to protect those good consumers who are living in properties that have landlords who are not paying their mortgages," said Rogers."

Recommended FLTA Position: Oppose HB 125/SB 854 as written. If amended substantially, reconsider the bill

HB 329 Condo Foreclosure (H. Robaina)

Condominium Foreclosures: Requires certain tenants to pay rent moneys owed directly to association. This is placed in chapter 84, which may be the wrong place; allows association to deny vote, use of property and common areas; requires mortgagee to request estoppel letter from association and fee of up to \$50 prior to filing foreclosure action under penalty of dismissal; Requires lender to pay association 6 months of assessments w/l 30 days after filing foreclosure suit. (Glitch, it appears to require this whether the assessments are current or not). If foreclosure is still pending after 1 year, mortgagee pays all outstanding assessments and all future assessments. Penalty for non-payment is dismissal of foreclosure and attorney fees to association.

Recommended FLTA Position: No Position as this does not directly affect title of the property or the practice of title insurance business.

HB 415/SB 606 Termination of Residential Rental Agreement in Foreclosure (S. Gelber H. Brise)

Provides that purchaser of residential property in foreclosure may terminate tenant's residential rental agreement; provides exception for immediate purchaser intending to sell to buyer who intends to occupy as primary residence; specifies contents of termination notice to be given to tenant; provides exceptions; requires immediate purchaser named in title certificate to credit tenant's account for deposit money paid by tenant & advance rent for unexpired rental period; provides for future expiration.

While not express, this alters the priority of a mortgage in a manner that may trigger a taking claim. The requirement for the CT purchaser to create a deposit for the tenant (3 line 68 is a problem. Line 36 allows termination of tenancy if the purchaser from the CT purchaser will occupy as a primary residence – but not if the CT purchaser will occupy.

Recommended FLTA Position: No Position as this does not directly affect title of the property or the practice of title insurance business.

HB 419/ SB 864 Community Associations – Liens (H. Robaina S. Garcia)

Major bill, which would reset priority of liens of coops by causing them to relate back to original filing; amends 720.3085 (lines 4725) to eliminate first mortgage priority over liens.

Because the priority of .3085 has been changed twice previously, the intended priorities for the various prior statutes should be spelled out in the statute to avoid mis-constructions, bad faith enforcement and taking claims.

Allows collection of assessments from tenants with enforcement mechanism. Does not address conceptual conflict of personal liability of an owner vs. lien & priority concepts.

Parts similar to SB 880 from 2009.

Recommended FLTA Position: FLTA Opposes those provisions of HB 419/SB 864 which would alter the existing priority of liens relative to mortgage interests; and the elimination of current limitations on liability of a first mortgage holder acquiring property to 1% or 6 months assessments, because such a change which would cause Condo/Coop/HOA mortgages to fall outside of Fannie/Freddie guidelines and thus be ineligible for federal guaranties.

HB 693/SB 1048 Construction Bonds (S. Baker)

Requires that a surety record in the public records a payment bond for a public works construction project. Prohibits the issuing authority for a building permit or a private provider performing inspection services from inspecting the property being improved until certain documents are filed. Requires that a contractor provide an owner's rights and responsibilities under Florida's Construction Lien Law, changes term of Notice of Commencement to 90 days after all work done; amends "bonding off" provisions etc.

Line 85 eliminates requirement for recording of a public construction bond. Line 680 provides Notice of Commencement remains effective until terminated or 90 days after all work done. Thus not generally determinable from public record. All unexpired NOCs will continue to cloud property even after facial expiration. Line 903 seems to eliminate the first inspection as a control point for assuring that the NOC has been recorded but the requirement has been moved to line 1106. Title, please review language beginning at Line 1362 concerning the period for enforcement of liens. Has bill drafting changed the meaning? Is there a difference between "not enforceable" and "not good"? Do we need to specify that an LP must have been filed before the creditor/purchaser interest was granted? Line 1488 – does the reference to "other security" suggest authority to accept security other than cash or payment bond?

Recommended FLTA Position: FLTA will work with Senator Baker on amendments to make certain that the effective period of a notice of commencement is readily discernible from an examination of the official records. Doing otherwise, or requiring a formal termination in every case will slow all real estate transactions involving new construction or any repairs and significantly increase costs to the consumer.

HB 853 Title insurance (H. Ambler S. Baker) Study Council Bill

Related: HB 855 (trust fund creation); HB 867 (Public Records)

This is the Chapter 637 Bill that Rep. Kevin Ambler has been working on to turn the study council recommendations into law.

Note, there are a handful of points where the FLTA board of directors disagrees with the approach taken in this draft as well as a number of technical details. The areas of substantive disagreement are outlined in the attached letter. Rep. Ambler has been very gracious in his support of FLTA and his willingness to discuss issues and work with us to achieving a superior end result and is to be commended for that. But because of the timing of the Winter Meeting, it was necessary to circulate the most current (but likely not final) version for discussion.

Subsequent to the Mid-Year meeting, FLTA representatives have continued working with Rep. Ambler to address technical issues as well as areas of broader concern to the FLTA – including prohibitions on rebating, clarifying agent in charge responsibilities and the handling of assessments to cover failed underwriters. We anticipate having a revised product in the next week which can be circulated to our members.

Recommended FLTA Position: While the FLTA has concerns about specific provisions of this bill and will continue to work with Rep. Ambler to address those concerns, it supports the recommendations of the Title Insurance Study Advisory Council and applauds Rep. Ambler and Sen. Baker for their hard work and dedication in drafting legislation to codify those recommendations in Florida law.

This Bulletin can also be found on the FLTA website in the Governmental Affairs section.

2010 Dues notices have been mailed

The dues notices were mailed in December. Dues are due annually on January 1 and delinquent on April 1 each year. If you did not receive a notice, please contact Linda at the FLTA office.

Firewalls and Spam Filters Block FLTA E-mails

It has come to our attention that many of our electronic mailings are being blocked by spam filters and firewalls installed on members computers. If you are not having this problem and are getting our newsletter via e mail and wish to continue to receive it electronically you don't need to do anything! If you would prefer to receive the newsletter by mail, please contact our office, so you can begin receiving it via mail. Our most important goal is providing our members with timely information and we strive to accomplish that. You can also check the FLTA's web site (www.flta.org) at your convenience to obtain news and information on upcoming programs.

Keeping Up to DATE

Keeping our members informed of matters that impact the title insurance industry, is a primary focus of our Association. The quarterly newsletter will continue to keep you abreast of developments, but the term quarterly alerts you to the fact that the news stories that have a short shelf life may be stale when you read them. To stay on top of things on a daily basis consult the FLTA web site, www.flta.org.

WEB site changes are brewing!

Nothing in life is free (or at least very little). The FLTA website has always been open to the public in the hopes of attracting the attention of others in the industry and inspiring them to join our ranks. While many areas will continue to be accessible whether you are a member or not, certain areas will require membership for the data to be retrieved.

When the changes are ready, you will have plenty of notice and we will tell you what you need to do to obtain your “access code”. In the mean time, encourage your industry neighbors to join the FLTA so they too will benefit from all the information we have to share.

Brrrr! Must be Winter

This is our official Winter issue of the FLTA newsletter. If you missed any of the exciting issues that were distributed last year, be sure to visit our website, as all past issues can be found there.

The next “official” issue is scheduled to publish in May. Until then, check the website for updated info, or make sure we have your correct email address as many things are now delivered via email by broadcasting to our membership list.