

Title Guaranty Division Board Meeting Minutes

February 10, 2009

Board Members Present:

Deborah Petersen (by phone)
Walter Murphy (by phone)
Mitchell Taylor (by phone)
Pat Schneider (by phone)
Surasee Rodari

Staff Members Present:

Loyd Ogle, TGD Director
Matt White, TGD Deputy Director
Susan Mock, TGD Administrative Assistant

Others Present:

Bill Blue – ILTA (by phone)
Linda Birocci – Iowa Title Company

Call to Order

Ms. Deborah Petersen called the February 10, 2009, meeting of the Title Guaranty Board of Directors to order at 10:35 a.m. Present at that time along with Ms. Deborah Petersen were Mr. Murphy, Ms. Schneider, and Mr. Rodari.

Review & Approval of Board Meeting Minutes

The Board discussed the January 13, 2009, meeting minutes.

Motion: On a motion by Mr. Rodari, seconded by Ms. Schneider, the Board unanimously approved the January 13, 2009, Board meeting minutes.

Director's Report

Mr. Ogle gave the director's report. His focus is on the state legislative session. There are several bills of interest to the Division. One is the escrow licensing bill that has been introduced in the House and Senate. There is some resistance to the bill. The focus of the bill will shift from a licensing scheme to a registration scheme, which involved less oversight.

The ILTA has introduced a bill to regulate the practice of abstracting in the state. That bill will go through some revision. The Division is supportive of the overall concept.

A bill was introduced to address several issues around the CLARIS system. That bill is being monitored as well.

TGD has been working with the ISBA on a bill to overhaul the mechanic's lien law.

Mr. Taylor called into the meeting at 10:40 a.m.

Approval of Change on Non-Purchase Product

Mr. Ogle said the Division is aligning its non-purchase product with what is common in the industry. They are finding that the full value deed search is the standard in the industry, as opposed to a 24-month chain of title search. In doing annual compliance reports, staff are finding that there is broad non-compliance. Some are doing a 24-month chain of title search and charging more for that than for a full value deed search. Other people are using the Form 900/901 and doing a full value deed search. Mr. Ogle is asking the Board to approve the change to allow TGD to modify the non-purchase product and move to a full value deed search instead of a 24-month chain of title search.

Mr. Murphy was concerned about what a full value deed meant. He wondered if it meant full interest deed. Mr. White said a full value deed is one that has on its face a transfer stamp related to the full value of the property. The Board, staff, and Mr. Blue discussed the full value deed issue further. Mr. Ogle explained that the purpose of the resolution is for the Board to give authority to Division staff to amend the Manual and other documents as necessary to conform with the resolution.

Motion: Mr. Taylor made a motion, which Mr. Rodari seconded, to approve the resolution amending the Manual and other documents related to the change to the non-purchase product requirements from a 24-month chain of title search to a full value deed search. On Section 8.01 of the Manual, Mr. Murphy wanted the last sentence of the first paragraph stricken from the Manual. Mr. Taylor called the question. Mr. Murphy's amendment regarding the change to the manual was accepted as part of the motion. Mr. Taylor struck his question calling the motion. On the motion that was made by Mr. Taylor and seconded by Mr. Rodari, with the amendment by Mr. Murphy, the Board unanimously approved the resolution amending the Manual and other documents related to the change to the non-purchase product requirements from a 24-month chain of title search to a full value deed search and to strike the last sentence of the first paragraph of Section 8.01 of the Manual.

Next Meeting Date and Time

The next Board meeting is tentatively set for Tuesday, May 12, 2009, at 10:30 a.m.

Adjournment

Motion: On a motion by Mr. Murphy, seconded by Mr. Taylor, the Board unanimously voted to adjourn at 10:55 a.m.

Dated this June 2, 2009,

Respectfully submitted:

Approved as to form:

Loyd W. Ogle, Director
Title Guaranty Division

Deborah Petersen, Chair
Title Guaranty Division