

TEXAS TITLE INSURANCE WORKS

THE IMPACT



Protecting private property rights is a core Texas value.
The quality of title is an essential element in protecting ownership rights.

Texas has a healthy real estate market, due in part to our simple and secure title insurance process. We have developed one of the best title insurance markets in the country, with consumers across the state benefiting from:

- ✓ **Choice and competition** with local title agencies in almost every county;
- ✓ **Lower prices** for title insurance than 25 years ago (15% less than the 1990s);
- ✓ **Transparent prices** easily accessible by the public without the extra fees found in other states;
- ✓ **Safe real estate transactions** with Texans enjoying one of the lowest “claims rates” in the country;

Plus,

- ✓ Texas’ title insurance industry, composed of mostly small businesses, provides more than **15,000 high-quality jobs** throughout the state.

The Texas Public Policy Foundation has proposed radical changes to Texas’ title insurance market, turning a system that works today into a “file-and-use” model. What would happen if Texas adopted this model?

- ✗ **Less competition** – File-and-use would cause many title agencies to close, reducing access and local choice.
- ✗ **Higher prices** – Less competition would expose homebuyers to higher prices.
- ✗ **More claims** – Texans would face substantially higher claims as file-and-use states can experience, as much as seven times the “claims rate” Texas has today.
- ✗ **Job losses** – Thousands of jobs across the state would either be permanently lost or shipped to other countries.
- ✗ **Picking winners and losers** – File-and-use would reward large corporations and well-heeled individuals at the expense of small businesses and average homebuyers.

We ask you to **reject** this radical departure from Texas’ successful market.

Adopting this model is **out of step** with Texas’ core values of:

Protecting private property rights ▪ Keeping insurance affordable ▪ Giving customers local options

Now is certainly **not the time** to mess with the safety and simplicity of our real estate process.

Don't Raise the Cost of Home Ownership!

Texas Land Title Association

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