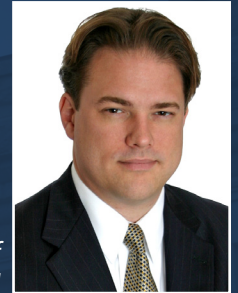




TEXAS LAND TITLE ASSOCIATION

2013 LEGISLATIVE REPORT



AARON DAY
*TLTA Director of
Government Affairs and Counsel*

Successful Legislative Session for TLTA

83rd Session Unique in Several Ways

The 83rd Regular Session of the Texas Legislature was unique from the previous 82nd Legislative Session in several ways. Fewer social issues were debated this time around, and a steep increase in available money garnered most of the attention. Within this backdrop, TLTA managed to pass key pieces of legislation while defending against several bills that threatened the interests of the title industry.

The Comptroller's announcement of a budget surplus of \$8.8 billion leading into the 2014-15 biennium, for a total of \$101.4 billion in funds available for general-purpose spending, attracted increased budgets from many groups seeking additional funding. This surplus also allowed the Legislature to pay off several big ticket items and help close a \$1.4 billion gap in healthcare funding.

Other priority items during the Regular Session included water, education, transportation and redistricting. But

what was often called the "kumbaya session" by many came to a swift end when Gov. Rick Perry announced a Special Session immediately following the adjournment of the Regular Session on May 27. Legislation regarding: transportation, criminal justice and abortion was on the docket.

During the first Special Session, Sen. Wendy Davis, a former title industry member, gained national attention for her successful filibuster of abortion legislation. Just days later, however, Gov. Perry called a second Special Session for legislators to address abortion and the other outstanding issues.

Key Title Industry Issues Resolved

TLTA worked successfully with several different members of the Legislature to pass legislation that will lower costs and prevent claims. We are particularly pleased with the passage of two key items on our affirmative legislative agenda, including legislation for tax assessor collectors to waive certain interest and penalties related to ad

valorem taxes, and legislation that improves and clarifies the correction instruments statute. You can read more about these two pieces of legislation on page 2.

TLTA also worked closely with related industries and members of the Legislature on a bill that would have improved the process for more secure titles when an intestate mortgagor dies, by identifying heirs and providing improved notice without requiring the opening of a full probate administration.

Unfortunately, even though the bill was on track to pass and was on the calendar to be considered by the Senate, questions raised by a senator late in the process resulted in the vote being blocked. We're grateful for our strong relationship with the Real Estate Probate and Trust Law Section of the State Bar of Texas and their hard work as we forged this complex and intricate piece of legislation. We also appreciate the registered support of esteemed Probate Judge Guy Herman.

Defending the Industry

TLTA also fought off many potentially harmful bills, including threats to the access of public records due to increased fees and privacy restrictions. A detailed report on all significant legislation can be found on [page 4](#).

The greatest threat, however, came from a bill filed by Rep. Matt Schaefer that would have dramatically altered the way title insurance rates are set in the state of Texas. The bill would have changed the long-standing and successful system of promulgated rates set by the commissioner of insurance to a file and use system, requiring each underwriter to file rates with the department, along with a justification of those rates. Additionally, this bill would have removed from the commissioner the authority to set the premium split between agents and underwriters.

TLTA member volunteers did an outstanding job testifying before the House Insurance Committee to explain our long-standing rate system and why it works for Texas. As a result, this legislation never left the committee. We owe a great deal of gratitude to our volunteers, the committee and Chairman John Smithee for working so openly and thoughtfully with our membership.

Finally, TLTA is grateful to the many legislators who worked closely with us this session. A combination of talented members and strong relationships resulted in a successful legislative session — both in problems averted and problems solved for the Texas land title industry.

TLTA's Affirmative Agenda

We are pleased to report that the Governor has signed two key pieces of title industry legislation into law.

HB 1913 by Sen. Tommy Williams and Rep. Dwayne Bohac will provide significant relief for the title industry by allowing for the waiver of penalties and interest for property taxes that are levied against omitted improvements and erroneous exemptions. This legislation was signed by the Governor and will go into effect Sept. 1, 2013.

SB 887 by Sen. Carlos Uresti and Rep. Rob Orr was also signed into law. This legislation clarifies that the date of a correction instrument relates back to the original filing date and also provides the clear ability to treat an inadvertently omitted attachment as a nonmaterial correction. The new statute is effective Sept. 1, 2013.

Session Recap	2013	2011
House Bills Filed	3,950	3,865
House Bills Passed	732	797
Senate Bills Filed	1,918	1,931
Senate Bills Passed	705	582
House Joint Resolutions Filed	130	154
House Joint Resolutions Passed	6	2
Senate Joint Resolutions Filed	63	53
Senate Joint Resolutions Passed	4	8

Session Quick Facts

The Texas Legislature meets every odd-numbered year for 140 days.

There are 31 members in the Senate and 150 members in the House of Representatives.

Senators are elected to a four-year staggered term.

Representatives are elected to a two-year term.

Legislators earn roughly \$600 a month or \$7,200 annually.

The 84th Legislative Session is scheduled to convene Jan. 13, 2015.

Day at the Capitol

We would like to extend a huge thank you to everyone who helped make our Day at the Capitol in February a success. More than 75 TLTA members made their way to the Capitol building and met with every state legislator or their staff, sharing information about the importance of our industry and our key legislation this session. We would like to thank all of the participants who contributed to our strong showing! [View DAC attendees](#) or [View Photos](#).



TLTA members Lara Thompson, John DeLoach, Patti Bonner and Phyllis Mulder meet with Rep. Donna Campbell during Day at the Capitol.

Thanks for Making This Session a Success



Chairman Jim Pitts

Chairman Jim Pitts Named TLTA Legislator of the Year

TLTA would like to thank Chairman Jim Pitts for his many years of support of the title industry. Not only is he one of the most important legislators in the state, but he is also a member of TLTA and has always been a great friend of the industry. Whether we've needed his counsel or his ability to explain title insurance to his colleagues, Chairman Pitts has always been there for us.

As Chair of the House Appropriations Committee, he is the man responsible for drafting and passing the state budget each session. Speakerships have changed but our Chairman has not because no one can do it quite like Jim. He takes his responsibility as a public servant very serious and is a model for the legislature. Texas is very fortunate to have Jim and our industry TLTA is honored to present Chairman Pitts with our Legislator of the Year Award.

Special Thanks to Rep. Rob Orr

TLTA has a good friend in Rep. Rob Orr. We would like to thank him for his consistent help in passing legislation that is beneficial to the title industry. Rep. Orr represents the citizens of Johnson and Bosque counties in District 58 and just completed his fifth term in the Texas House of Representatives, where he serves on the Appropriations and Business & Industry committees. Throughout his legislative career he has served as chairman and vice-chairman of the Land and Resource Management Committee and vice-chairman of Business & Industry, as well as a member of several other committees.

Rep. Orr understands real estate and the value of our industry. He has continued to answer our call as TLTA seeks to improve the laws governing our important and robust real estate economy. Thank you Rep. Orr for your invaluable help this legislative session!




Rep. Rob Orr


Thank You Key Legislators

- Sen. John Carona
- Sen. Carlos Uresti
- Sen. Royce West
- Sen. Tommy Williams
- Rep. Dwayne Bohac
- Rep. Rob Orr
- Rep. Richard Raymond

TLTA members gather on the Capitol Rotunda for Day at Capitol.

Other Legislation of Interest

A  indicates the bill has passed and will become law on the noted effective date.

An  indicates the bill did not pass. To view more about each bill, click on the bill number. To read the text of the bill, click on the bill number and then select the "text" tab.

Title Insurance Regulations

 **[HB 1954](#) by Thompson | [SB 1037](#) by Rodriguez**

Relating to the education requirements for a notary public; authorizing a fee.

FAILED TO PASS — TLTA SUPPORTED WITH AMENDMENTS

 **[HB 2384](#) by Schaefer**

Relating to premium rates for title insurance.

FAILED TO PASS — TLTA OPPOSED

 **[HB 3046](#) by Darby**

Relating to the provision of title insurance coverage by more than one title insurance company in a single title insurance transaction.

FAILED TO PASS

 **[HB 3106](#) by Morrison**

Relating to compensatory payments made in connection with the issuance of certain title insurance policies.

EFFECTIVE DATE: SEPT. 1, 2013

 **[HB 3107](#) by Morrison**

Relating to issuance of certain personal property title insurance policies.

FAILED TO PASS

 **[SB 183](#) by Carona**

Relating to certain inquiries made by the Texas Department of Insurance to insurers.

EFFECTIVE DATE: SEPT. 1, 2013

TLTA SUPPORTED WITH LEGISLATIVE INTENT IN RECORD

 **[SB 411](#) by Carona**

Relating to insurers' duty to provide information in a fraud investigation.

EFFECTIVE DATE: SEPT. 1, 2013

TLTA SUPPORTED WITH LEGISLATIVE INTENT IN RECORD

 **[SB 650](#) by Rodriguez | [HB 2079](#) by Thompson, Senfronia**

Would allow for transfers of owner's policies in additional circumstances.

TLTA SUPPORTED WITH AMENDMENTS

FAILED TO PASS – WITHDRAWN BY PROPONENTS

 **[SB 1074](#) by Hegar**

Relating to electronic transmission of documentation involved in certain insurance transactions.

EFFECTIVE DATE: SEPT. 1, 2013

Public Records

 **[HB 981](#) by Harless**

Relating to the production of the index of the parties to all suits by the clerk of a district court.

FAILED TO PASS — TLTA SUPPORTED

 **[HB 1326](#) by Lewis | [SB 1229](#) by West**

Relating to an increase in the district court records archive fee.

FAILED TO PASS

 **[HB 1327](#) by Lewis**

Relating to increases in the records management and preservation fee and records archive fee imposed by a county clerk.

FAILED TO PASS



HB 1513 by Lewis

Relating to increases in the records archive fees and the records management and preservation fees charged by district and county clerks.

*EFFECTIVE DATES: SEPT. 1, 2013 & SEPT. 1, 2019;
TLTA SUPPORTED*



HB 1530 by King, Ken

Relating to the authority of a county clerk or district clerk to collect certain fees; imposing and increasing certain court fees.

FAILED TO PASS — TLTA SUPPORTED



HB 1626 by Miller

Relating to specifications for legal papers filed with a county clerk.

FAILED TO PASS — TLTA OPPOSED



HB 1632 by Fletcher

Relating to the confidentiality of certain identifying information of peace officers, county jailers, security officers, employees of the Texas Department of Criminal Justice or a prosecutor's office, or judges and their spouses.

*EFFECTIVE IMMEDIATELY
TLTA SUPPORTED WITH AMENDMENTS*



HB 2567 by Carter

Relating to the filing in county deed records of an instrument transferring a residential mortgage note; providing a civil penalty.

FAILED TO PASS



HB 3464 by Bohac

Relating to the authority of a county clerk to require an individual to present photo identification to file a document.

FAILED TO PASS



SB 753 by Patrick

Would require a district clerk to provide the public with an electronic copy of the index to civil cases, if the district clerk is maintaining this index in electronic form, in accordance with the cost rules prescribed by the attorney general.

FAILED TO PASS — TLTA SUPPORTED

Liens



HB 855 by Lucio III, Moody

Relating to a security services contractor's lien.

FAILED TO PASS



HB 991 by Carter

Relating to imposing liens for labor and materials provided by interior designers.

FAILED TO PASS



HB 1554 by Rodriguez, Justin

Relating to the authority of municipalities to file a lien for the costs of abatement of a floodplain ordinance violation; providing a civil penalty.

EFFECTIVE DATE: SEPT. 1, 2013



HB 3553 by Oliveira | SB 1281 by Rodriguez

Relating to mechanic's, contractor's, or materialman's liens.

FAILED TO PASS



SB 247 by Carona, Hinojosa

Would reform procedures relating to the transfer of an ad valorem tax lien.

*EFFECTIVE IMMEDIATELY
TLTA SUPPORTED*



SB 693 by Carona | HB 3474 by Paddie

Relating to clarifying liability and damages for certain liens placed on and certain court records of real property.

FAILED TO PASS

Adverse Possession



SB 108 by West

Relating to adverse possession of real property by a cotenant heir against other cotenant heirs.

FAILED TO PASS — TLTA SUPPORTED



SB 947 by Nelson | HB 3027 by Zedler

Relating to requirements for an affidavit of adverse possession of real property.

FAILED TO PASS

Foreclosures



HB 2590 by Keffer

Relating to the foreclosure sale of property subject to certain agreements related to the production or sale of oil or gas.

*VETOED BY THE GOVERNOR
TLTA SUPPORTED WITH AMENDMENTS*



HB 2978 by Parker

Relating to procedures for expedited judicial foreclosure proceedings.

EFFECTIVE IMMEDIATELY

Estate



HB 2080 by Thompson, Senfronia | Naishtat

Relating to guardianships, including the assessment and payment of attorney's fees and other court costs in guardianships, and to court-created management trusts for persons who have physical disabilities or who are incapacitated; changing the amount of a fee and requiring the collection of a fee.

EFFECTIVE DATE: JAN. 1, 2014



HB 2912 by Thompson, Senfronia

Relating to decedents' estates.

EFFECTIVE DATE: JAN. 1, 2014



HB 2913 by Thompson, Senfronia

Relating to trusts.

EFFECTIVE DATE: SEPT. 1, 2013

Powers of Attorney



HB 2075 by Anchia

Relating to the operation of certain condominium unit owners' associations.

EFFECTIVE DATE: SEPT. 1, 2013



HB 2918 by Thompson, Senfronia

Relating to statutory durable powers of attorney.

EFFECTIVE DATE: JAN. 1, 2014



SB 651 by Rodriguez

Relating to a medical power of attorney.

EFFECTIVE DATE: SEPT. 1, 2013, EXCEPT SECTIONS 1 & 4 TAKE EFFECT JAN. 1, 2014

Taxes



HB 538 by Davis, Yvonne

Relating to the repeal of certain tax exemptions.

FAILED TO PASS



HB 3454 by Eiland

Relating to an exemption from the franchise tax for certain insurance entities.

FAILED TO PASS

Mortgage Banking



SJR 18 by Carona

A constitutional amendment that would authorize reverse mortgage loans for the purchase of homestead property and amend other requirements in connection with a reverse mortgage loan.

TLTA SUPPORTED

State Bar



HB 1711 by Fletcher

Relating to barratry.

EFFECTIVE DATE: SEPT. 1, 2013

Real Property



SB 848 by Carona

Relating to assignment of rents to holders of certain security interests in real property.

EFFECTIVE IMMEDIATELY

Legislative Resources

Texas Legislative Council — www.tlc.state.tx.us

Texas Legislature Online — www.capitol.state.tx.us

Texas Ethics Commission — www.ethics.state.tx.us

Office of Secretary of State — www.sos.state.tx.us

Thank You, Volunteers

We appreciate all of our volunteers who took time out of their busy schedule to testify before the House and Senate Committees, walked the Capitol corridors and helped educate lawmakers about our industry and the importance of title insurance in Texas.

- Ginny Abiassi
- Tommy Bastian
- Richard Black
- Patti Bonner, CTIA
- Glen Cochran Jr.
- John DeLoach, CTIA
- James Dudley
- Celia Flowers
- Dan Foster
- Teresa Frost, CTIA
- Hugo Garcia
- Celia Goode-Haddock
- Jim Gosdin
- Joe Grealish
- Alex Harris
- Merritt Hopson
- Guy Robert Jackson
- Bill James
- Randy Lee
- Byron Lewis
- Bruce Liesman, CAEA, CTIA
- Roland Love
- Dawn Moore
- Robert Morris, CTIA
- Phyllis Mulder, CTIA
- Greg Nix
- Dennis Patillo
- Chris Phillips
- Brian Pitman
- Randy Pittman
- John Rothermel
- Mike Savas
- Steve Streiff
- Mary Payne Thomas
- John Updegraff Jr.
- Susan Valdez

Legislative Committee Thank Yous

The TLTA lobby team would also like to thank the Legislative Committee for all their input and hard work. Committee members spent countless hours crafting legislation, reviewing bills to recommend positions of support or opposition and contacting their legislators.

- Chair, Roland Love
- Ginny Abiassi
- Charles Badgett
- Daryl Bailey
- Tommy Bastian
- Richard Black
- Jason Bragg
- Chris Cangelosi
- Glen Cochran Jr.
- Marian Cones
- Ashley Cook
- John DeLoach, CTIA
- Celia Flowers
- Britt Fair
- Suzanne Frossard
- Alex Gonzales
- Celia Goode-Haddock
- James Gosdin
- Peter Graf
- Joe Grealish
- Kent Hanszen
- Jerel Hill
- Merritt Hopson
- Guy Robert Jackson
- Randy Lee
- Scott Lloyd Luna
- Michael Lucksinger
- Andrew K. McCall
- Robert Morris, CTIA
- Greg Nix
- Noel Phillips
- Kyle Rank
- John Rothermel III
- Michael Savas
- James Sibley
- Melinda Becker Skillern, CESA
- Stephen Streiff
- Stephen Thompson
- John Updegraff Jr.
- Susan Valdez
- Scott Wheatley
- Ellen Wied
- Karen Young, CTIA

Thanks to Related Industry Associations

TLTA would like to thank these associations for working closely with us throughout the legislative session.

- Independent Bankers Association of Texas
- Real Estate, Probate and Trust Law Section of the State Bar of Texas
- Texas Apartment Association
- Texas Association of Builders
- Texas Association of Counties
- Texas Association of Realtors
- Texas Bankers Association
- Texas Conference of Urban Counties
- Texas Court Clerks Association
- Texas Manufactured Housing Association
- Texas Mortgage Bankers Association
- Texas Municipal League

Thanks to Our Industry Lobbyists

TLTA Lobby Team

- Allen Place, Jr.
- Brandon Aghamalian
- Snapper Carr
- Curt Seidlits

Stewart Title Guaranty's Lobby Team

- Jim Gosdin
- Mary Herrick
- Randy Lee
- John Rothermel

Other Industry Lobbyists

- Nora del Bosque
- Nick Krajl

Special Thanks to Roland Love

TLTA was proud to recently present longtime volunteer Roland Love with a certificate of appreciation for his amazing service to the association and the industry. Over the years, Roland has spent countless hours of his professional time in service to the association, chairing TLTA's Legislative Committee for the past six years, serving on several other committees and speaking on behalf of the industry anytime he is needed.



Roland Love

Roland has become well known in many legislative offices as a go-to expert on legal issues, and he testifies on behalf of the industry numerous times every session. He reads bills, drafts bills and stays up late reviewing them – and he has always been a tremendous advocate for the title industry. Thank you, Roland, for your invaluable help and countless contributions you've made to the Texas land title industry!