

FILED MARCH 25 1992

SENATE FILE 2235  
BY COMMITTEE ON COMMERCE  
*approved (p. 520)*  
(SUCCESSOR TO SSB 2133)

Passed Senate, Date 3/16/92 (p. 788) Passed House, Date 4/2/92 (p. 907)  
Vote: Ayes 43 Nays 0 Vote: Ayes 99 Nays 0  
Approved April 15, 1992 (p. 1423)

A BILL FOR

1 An Act relating to the requirements of an abstractor  
2 participating in the title guaranty program.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SENATE FILE 2235

H-5531

1 Amend Senate File 2235, as passed by the Senate, as  
2 follows:  
3 1. Page 1, by striking lines 19 through 23, and  
4 inserting the following: "in the title guaranty  
5 program."

By METCALF of Polk

H-5531 FILED MARCH 25, 1992

*10/10 4/2/92 (p. 907)*

SF 2235

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1 Section 1. Section 220.91, subsection 5, Code 1991, is  
2 amended to read as follows:

3 5. The participation of abstractors and attorneys shall be  
4 in accordance with rules established by the division and  
5 adopted by the authority pursuant to chapter 17A. Each  
6 participant shall at all times maintain liability coverage in  
7 amounts approved by the division. Upon payment of a claim by  
8 the division, the division shall be subrogated to the rights  
9 of the claimant against all persons relating to the claim.

10 Additionally, each participating abstractor is required to  
11 own or lease, and maintain and use in the preparation of  
12 abstracts, an up-to-date abstract title plant including tract  
13 indices for real estate for each county in which abstracts are  
14 prepared for real property titles guaranteed by the division.  
15 The tract indices shall contain a reference to all instruments  
16 affecting the real estate which are recorded in the office of  
17 the county recorder, and shall commence not less than forty  
18 years prior to the date the abstractor commences participation  
19 in the title guaranty program. However, a participating  
20 attorney providing abstract services continuously from  
21 November 12, 1986, to the date of application, either  
22 personally or through persons under the attorney's supervision  
23 and control is exempt from the requirements of this paragraph.

24 The division may waive the requirements of this subsection  
25 pursuant to an application of an attorney or abstractor which  
26 shows that the requirements impose a hardship to the attorney  
27 or abstractor and that the waiver clearly is in the public  
28 interest or is absolutely necessary to ensure availability of  
29 title guaranties throughout the state.

30 EXPLANATION

31 This bill provides that an abstractor participating in the  
32 title guaranty program of the Iowa finance authority must own  
33 or lease, and maintain and use in the preparation of any  
34 abstract under the program, an up-to-date abstract title plant  
35 for real estate in a county in which abstracts are prepared

1 for real property titles guaranteed by the division.

2 The bill provides that an attorney providing abstract  
3 services continuously from November 12, 1986, to the date of  
4 application is exempt from the requirement of owning or  
5 leasing, and maintaining such title plant. The title guaranty  
6 division is also granted the authority to waive the  
7 requirements established in this Act if the waiver would be in  
8 the public interest or is necessary to ensure availability of  
9 title guaranties throughout the state.

10 The bill codifies certain provisions which now exist in the  
11 Iowa finance authority's rules related to the title guaranty  
12 program.

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DOYLE, CH.  
PRIEBE  
TIEDEN 2-6-92

SSB 2,33  
COMMERCE Now -

SENATE FILE 2235  
BY (PROPOSED COMMITTEE ON  
COMMERCE BILL BY  
CHAIRPERSON DELUHERY)

Passed Senate, Date \_\_\_\_\_ Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act relating to the requirements of an abstractor  
2 participating in the title guaranty program.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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2 amended to read as follows:

3 5. The participation of abstractors and attorneys shall be  
4 in accordance with rules established by the division and  
5 adopted by the authority pursuant to chapter 17A. Each  
6 participant shall at all times maintain liability coverage in  
7 amounts approved by the division. Upon payment of a claim by  
8 the division, the division shall be subrogated to the rights  
9 of the claimant against all persons relating to the claim.

10 Additionally, each participating abstractor is required to  
11 own or lease, and maintain and use in the preparation of  
12 abstracts, the most recent abstract title plant including  
13 tract indices for real estate for each county in which  
14 abstracts are prepared for real property titles guaranteed by  
15 the division.

16 EXPLANATION

17 This bill provides that an abstractor participating in the  
18 title guaranty program of the Iowa finance authority must own  
19 or lease, and maintain and use in the preparation of any  
20 abstract under the program, the most recent abstract title  
21 plant for real estate in a county in which abstracts are  
22 prepared for real property titles guaranteed by the division.

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SENATE FILE 2235

interest or is absolutely necessary to ensure availability of title guaranties throughout the state.

AN ACT

RELATING TO THE REQUIREMENTS OF AN ABTRACTOR PARTICIPATING IN THE TITLE GUARANTY PROGRAM.

\_\_\_\_\_  
MICHAEL E. GRONSTAL  
President of the Senate

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

\_\_\_\_\_  
ROBERT C. ARNOULD  
Speaker of the House

Section 1. Section 220.91, subsection 5, Code 1991, is amended to read as follows:

5. The participation of abstractors and attorneys shall be in accordance with rules established by the division and adopted by the authority pursuant to chapter 17A. Each participant shall at all times maintain liability coverage in amounts approved by the division. Upon payment of a claim by the division, the division shall be subrogated to the rights of the claimant against all persons relating to the claim.

Additionally, each participating abstractor is required to own or lease, and maintain and use in the preparation of abstracts, an up-to-date abstract title plant including tract indices for real estate for each county in which abstracts are prepared for real property titles guaranteed by the division. The tract indices shall contain a reference to all instruments affecting the real estate which are recorded in the office of the county recorder, and shall commence not less than forty years prior to the date the abstractor commences participation in the title guaranty program. However, a participating attorney providing abstract services continuously from November 12, 1986, to the date of application, either personally or through persons under the attorney's supervision and control is exempt from the requirements of this paragraph.

The division may waive the requirements of this subsection pursuant to an application of an attorney or abstractor which shows that the requirements impose a hardship to the attorney or abstractor and that the waiver clearly is in the public

I hereby certify that this bill originated in the Senate and is known as Senate File 2235, Seventy-fourth General Assembly.

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JOHN F. DWYER  
Secretary of the Senate

Approved *Cyril 15* 1992

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TERRY E. BRANSTAD  
Governor