

**16.91 Iowa title guaranty program.**

1. The authority, through the Iowa title guaranty division, shall initiate and operate a program in which the division shall offer guaranties of real property titles in this state. The terms, conditions, and form of the guaranty contract shall be forms approved by the board. The division shall fix a charge for the guaranty in an amount sufficient to permit the program to operate on a self-sustaining basis, including payment of administrative costs and the maintenance of an adequate reserve against claims under the Iowa title guaranty program. A title guaranty fund is created in the office of the treasurer of state. Funds collected under this program shall be placed in the title guaranty fund and are available to pay all claims, necessary reserves and all administrative costs of the Iowa title guaranty program. Moneys in the fund shall not revert to the general fund and interest on the moneys in the fund shall be deposited in the housing trust fund created in [section 16.181](#) and shall not accrue to the general fund. If the board determines that there are surplus funds in the title guaranty fund after providing for adequate reserves and operating expenses of the division, the surplus funds shall be transferred to the housing assistance fund created pursuant to [section 16.40](#).

2. A title guaranty, closing protection letter, or gap coverage issued under this program is an obligation of the division only and claims are payable solely and only out of the moneys, assets, and revenues of the title guaranty fund and are not an indebtedness or liability of the state. The state is not liable on any guaranty, closing protection letter, or gap coverage.

3. With the approval of the board, the division shall consult with the insurance division of the department of insurance and financial services in developing a guaranty contract acceptable to the secondary market and developing any other feature of the program with which the insurance division may have special expertise. Except as provided in [this subsection](#), the Iowa title guaranty program is not subject to the jurisdiction of or regulation by the insurance division or the commissioner of insurance.

4. Each participating attorney and abstractor may be required to pay an annual participation fee to be eligible to participate in the Iowa title guaranty program. The fee, if any, shall be set by the division, subject to the approval of the authority.

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](#).

a. (1) 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.

(2) 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 Iowa 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 subparagraph.

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

6. Prior to the issuance of a title guaranty, the division shall require evidence that an abstract of title to the property in question has been brought up-to-date and certified by a participating abstractor in a form acceptable to the division, and a title opinion issued by a participating attorney in a form acceptable to the division stating the attorney's opinion as to the title. The division shall require evidence of the abstract being brought up-to-date and the abstractor shall retain evidence of the abstract as determined by the division.

7. The attorney rendering a title opinion shall be authorized to issue a title guaranty certificate subject to the rules of the authority.

8. The authority shall adopt rules pursuant to [chapter 17A](#) that are necessary for the implementation of the Iowa title guaranty program as established by the division and that have been approved by the authority.

[85 Acts, ch 252, §30](#)

CS85, §220.91

[87 Acts, ch 75, §1](#); [88 Acts, ch 1145, §2 – 5](#); [92 Acts, ch 1090, §1](#)

C93, §16.91

[97 Acts, ch 214, §6](#); [2000 Acts, ch 1166, §1](#); [2007 Acts, ch 54, §27](#); [2008 Acts, ch 1032, §132](#); [2008 Acts, ch 1097, §2](#); [2014 Acts, ch 1012, §3 – 5](#); [2014 Acts, ch 1080, §66, 78](#); [2016 Acts, ch 1122, §1](#); [2023 Acts, ch 19, §2713](#); [2025 Acts, ch 147, §25](#)

Referred to in [§447.13](#)

Subsections 1, 3, and 6 amended