

House File 2164 - Introduced

HOUSE FILE 2164

BY PETTENGILL

A BILL FOR

1 An Act relating to the waiver of requirements for attorneys and
2 abstractors who participate in the title guaranty program.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 16.91, subsection 5, paragraph b, Code
2 2016, is amended to read as follows:

3 b. The division may waive the requirements of this
4 subsection pursuant to an application of an attorney or
5 abstractor which shows by clear and convincing evidence that
6 the requirements impose a an unnecessary or extreme hardship
7 to the attorney or abstractor and that the waiver clearly is
8 in the public interest or is absolutely necessary to ensure
9 availability of title guaranties throughout the state.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

13 This bill relates to the waiver of requirements for
14 attorneys and abstractors who participate in the title guaranty
15 program.

16 Under current law, an attorney or abstractor who
17 participates in the title guaranty program is required to
18 maintain liability coverage in an amount approved by the Iowa
19 title guaranty division. Additionally, an abstractor who
20 participates in the title guaranty program is required to own
21 or lease, and maintain and use in the preparation of abstracts,
22 an up-to-date abstract title plant including tract indices for
23 real estate for each county in which abstracts are prepared
24 for real property titles guaranteed by the Iowa title guaranty
25 division.

26 Current law permits the Iowa title guaranty division
27 to waive these requirements pursuant to an attorney or
28 abstractor's application which shows that the requirements
29 impose a hardship to the attorney or abstractor and that the
30 waiver clearly is in the public interest or is absolutely
31 necessary to ensure availability of title guaranties throughout
32 the state.

33 The bill provides that the Iowa title guaranty division may
34 only waive the requirements if an attorney or abstractor's
35 application shows by clear and convincing evidence that the

1 requirements impose an unnecessary or extreme hardship and that
2 the waiver clearly is in the public interest or is absolutely
3 necessary to ensure availability of title guaranties throughout
4 the state.