

Regular Session, 2010
HOUSE BILL NO. 807

ACT No. 1028

BY REPRESENTATIVE TIM BURNS

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AN ACT

To amend and reenact R.S. 22:512(17)(b)(introductory paragraph) and (vi)(bb) and (gg), relative to title insurance; to require that a title opinion contain a search of the mortgage records for a period of twenty years for federal judgments; to require the length of the examiner's search for a transaction involving a sale be a minimum period of thirty years or longer in order to reach a third-party transfer; to require the examiner's search be a minimum of ten years or two links in the chain of title, whichever is greater, if only the mortgage is being insured; to provide certain exceptions; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:512(17)(b)(introductory paragraph) and (vi)(bb) and (gg) are hereby amended and reenacted to read as follows:

§512. Definitions

As used only in this Subpart, the following words are defined as:

* * *

(17) "Title insurance business" or "business of title insurance" shall mean:

* * *

(b) Transacting or proposing to transact by a title insurer or a title insurance

~~producer~~ agent any of the following activities when conducted or performed in

1 contemplation of or in conjunction with the issuance of a title insurance report or
2 policy:

3 * * *

4 (vi) Examining titles; however, any title insurance report or title insurance
5 policy relating to immovable property shall be based upon an examination of title
6 which shall be conducted only by attorneys duly licensed and authorized to practice
7 law in Louisiana. The examination and resulting opinion, if it furnishes the basis of
8 a title insurance report or title insurance policy relating to immovable property, shall
9 be reduced to writing by the attorney. The title opinion shall contain the following:

10 * * *

11 (bb) Complete list of all encumbrances, mortgages, judgments, liens, and
12 privileges. This list shall contain the name of secured creditors, date filed, amounts,
13 and recordation information. For federal judgments, a search of the mortgage
14 records shall be made for a period of twenty years. However, such time period
15 requirement shall not apply to any transaction made prior to and on January 1, 2013,
16 by the Road Home Corporation, The Louisiana Land Trust, or any political
17 subdivision, of property originally acquired in connection with the Road Home
18 Program.

19 * * *

20 (gg) Length of examiner's search and date of earliest recorded instrument
21 reviewed by the examiner. If the transaction being insured is a sale, the minimum
22 search period shall be thirty years, or longer, if necessary, in order to reach an arms-
23 length sale between unrelated, third parties. If only a mortgage is being insured, then
24 the search shall be for a minimum of ten years or two links in the chain of title,
25 whichever is greater. However, such minimum search periods for a sale or mortgage
26 shall not apply to any transaction made prior to and on January 1, 2013, by the Road
27 Home Corporation, The Louisiana Land Trust, or any political subdivision, of
28 property originally acquired in connection with the Road Home Program.

29 * * *

1 Section 2. The provisions of this Act shall apply to all transactions occurring on or
2 after September 1, 2010, except as otherwise provided by R.S. 22:512(17)(b)(vi)(bb) and
3 (gg).

SPEAKER OF THE HOUSE OF REPRESENTATIVES

PRESIDENT OF THE SENATE

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____