

BY REPRESENTATIVE TIME BURNS

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 contains a search of the mortgage records of a period of twenty years for federal judgments; to require the length of the examiner's search for a transaction involving a sale be for 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 exception; 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 ~~producer~~ **agent** any of the following activities when conducted or performed in contemplation of or in conjunction with the issuance of title insurance report or policy:

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

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

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

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