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Anyone who knows me knows I’m a big believer in silver linings. Last year only stood to reinforce that. While 2017 started out in the shadow of a very ominous legislative session, we actually ended the year stronger than ever because of our ability to work together to defend our successful Texas title insurance system. A huge thank you to all of you that were actively involved in those efforts. We could not have done it without you.

After a huge legislative battle that threatened to severely impact our industry, we emerged from the 85th Legislative Session victorious and prepared to continue the fight. This challenge only served to help us hone our message, to collect the data needed to reinforce that message and to energize us to reach out and engage our elected officials and customers on the value of our industry.

Additionally, after conducting 16 grassroots meetings across the state last fall in conjunction with our town hall meetings, we received reports from many of you that our engagement and training is bearing fruit as you communicate with your local legislators. I am thrilled to report that our formalized grassroots network is swelling—a development that will serve us well in future legislative sessions.

Perhaps most importantly, our TLTAPAC continues to raise and distribute funds at a record rate. As you know, our success with this piece of the advocacy puzzle equips us to sit down with legislators and educate them about the importance of what we do.

Throughout this challenging legislative barrage, we also strengthened our relationships with our related industry partners, including our realtor, lender and banking friends who wholeheartedly lent their support to our cause.

Independent of our work in the legislative arena, our organization showed other signs of health and vibrancy. Member engagement is evident in the record-breaking crowds we’ve hosted at our educational programs and events, culminating with almost 650 people attending the sold-out Land Title Institute in December. We also saw an increase in newly certified professionals, and a fresh crop of volunteers signed up to participate on committees. Many of these committed superstars represent the future of our industry, and we are grateful for the energy and involvement they bring to the process.

I can’t thank you enough for your strong and sustained support and commitment to the work we do at TLTA. It’s an honor to represent you, and I look forward to working hand in hand with you for another successful year in 2018. ♦
The 85th Session of the Texas Legislature began with TLTA fending off attacks on our rate system from well-funded special interest groups. We can look back and say with confidence that your association won several key battles at the Texas Capitol.

Rate Re-regulation Attempts Defeated

Three bills were filed that could have dramatically impacted our rate system. SB 372 by Sen. Bob Hall would have created a “file-and-use” rate system, where each underwriter would file a rate. Even though SB 2203 by Chairman Kelly Hancock, as filed, did not contain language amending the rate system, it was understood to be a vehicle for a rate re-regulation bill depending on how the conversation went during the session. That conversation was centered around HB 4239 – authored by Rep. Sergio Muñoz, Jr. – which would dramatically upend our rate system by injecting both a “file-and-use” and “flex band” approach to title rates.

This bill was eventually heard in the House Committee on Insurance. On Tuesday, April 25, the committee held a hearing for the bill. TLTA put forth a lineup of expert witnesses to testify against the bill, stating that it would increase costs for Texas homeowners, reduce competition by shuttering small businesses and increase risks and claims. Witnesses also pointed out the differences between title insurance and property/casualty insurance, reminding the committee that title insurance is more assurance than insurance, with premiums only paid once. The
hearing drew a large crowd, with 142 people signing in as witnesses, the clear majority of whom registered in opposition. A big thank-you to all the TLTA members who packed the hearing room.

“**Our opponents have already announced they are coming back next time, so we have to remain fully engaged.**

During her testimony, Leslie Midgley, CAE, Executive Vice President and CEO of TLTA, discussed how title insurance provides “13,000 quality Texas jobs” for 592 licensed title agencies, including 540 independently owned companies. She also elaborated on the fact that title insurance prices are 15 percent lower today than they were 25 years ago, stating, “This is a testament to the system we have in place. Today’s debate is really about what type of regulatory system the legislature wants. I can tell you that Texas is widely viewed across the country as a model for a successful title system.”

Proponents of the bill – which included Doug Deason, Texans for Free Enterprise (TFE); Bill Hammond, Executive Director, TFE; Dr. David Eaton of The LBJ School of Public Affairs at The University of Texas at Austin; Bill Peacock, Texas Public Policy Foundation (TPPF); and Rod Bordelon, TFE – claimed that the bill was about free market competition and would result in lower prices. However, they did not dispute that claims could potentially increase if the bill passed.

After hearing almost two hours of testimony, including extensive questioning by committee members, the committee voted to leave HB 4239 pending, where it effectively died.

We are very pleased with what we accomplished during the 85th session in terms of protecting our safe, stable title insurance system, but it appears this is going to be a protracted fight that could last another session or even two.

Our opponents have already announced they are coming back next time, so we have to remain fully engaged.

Legislation We Championed for Our Industry:

**Adverse Possession Amongst Co-Tenant Heirs**

- **SB 1249** provides a statutory means of adversely possessing real property against co-tenants, remedying the fact that no mechanism existed previously. **PASSED**

**Lis Pendens**

- **SB 1955/HB 4086** clarifies the lis pendens expungement statute so title agents and insurers can rely upon it. **PASSED**

**Other Legislation We Supported:**

- **HB 1217** establishes the framework for remote e-notarization. **PASSED**

- **HB 3107** significantly limits the ability to obtain public records through a public information request process. The bill was successfully amended through TLTA’s efforts to clarify that the “creation or maintenance of an abstract plant” was an exception to the bill. **PASSED**

- **SB 42** allows for judges and their spouses to have their personal information redacted from public records. **HB 1974** affects powers of attorney and provides several protections for the industry, including a statutory roadmap for handling powers of attorney. **PASSED**

- **SJR 60/Proposition 2** made many changes to home equity loans. **PASSED**

For a complete picture of the 85th Session, get TLTA's 2017 Legislative Report.
Our PAC and Grassroots Network Continue to Grow!

TLTA members continued to support the TLTPAC and join in record numbers, allowing us to increase efforts to reach out to Texas legislators and educate them about our state’s safe, stable title insurance system.

TLTA’s 2017 Day at the Capitol had record-breaking attendance with more than 250 participants.

Total Raised – 2017

TLTAPAC

$531,538

1,000 supporters

This outstanding trend continues in 2018. As of April 16, 500 supporters have contributed:

$359,862
toward our $400,000 2018 goal

Donate Today!
Recognizing Excellence

Each year, TLTA recognizes the accomplishments of several individuals with key awards. TLTA was proud to honor these outstanding leaders in 2017, and we thank them for their leadership and service.

**Title Person of the Year**

Randy Pittman

**President’s Award**

Dan Foster

**Honorary Member**

Mark Greek

**Outstanding Legislator Award**

Rep. Andrew Murr
By the Numbers: 2017

SATISFYING THE INDUSTRY’S CONTINUING EDUCATION NEEDS

- 6,600+ participants
- 3,300+ attendance
- 3,300+ participants
- 82 CE Hours Offered

GROWING OUR NETWORK OF PROFESSIONALISM

- 219 Certified Professionals
- 33 Certifications Awarded in 2016

KEEPING MEMBERS AND THE PUBLIC INFORMED

- 108,000+ TLTA Website Visitors
- 10,000+ TLTA readers received more than 400 industry newsletters, regulatory updates and more
- 1,211 Facebook Followers

See Who’s Certified | Join the Ranks
By the Numbers: 2017

STRONG MEMBERSHIP

2,511
Agent/Underwriter Members

412
Individual Members

179
Associate Members

TOTAL MEMBERS
3,102

86% of licensed agents and underwriters doing business in Texas are TLTA members, and 99% of those companies renewed their membership this year.

SOUND FINANCIALS

2016-2017 Revenue

Dues $1,974,581
Education $930,315
Conference $309,356
Publications $105,002
Interest/Other Income $305,611

TOTAL REVENUE
$3,624,865

2016-2017 Expenses

Government Relations $2,004,328
Administration $509,857
Education $650,880
Conference $323,845
Publications $286,275
Member Services $305,405

TOTAL EXPENSES
$4,080,590*

Financial Position Remains Strong

Net assets at year end: $2,757,882 representing eight months of operating expenses.

*Your rainy day fund was tapped to cover the deficit created by extraordinary legislative expenses.