

ALTA 2024 Presentation – Championing the Title Industry

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ALTA leadership continuously contemplates the challenges and opportunities that exist in the land title and settlement industry. ALTA Board member Don Kennedy will discuss the strategic priorities ALTA focuses on to help ensure the industry thrives in a shifting business, economic and regulatory environment.

Outline: ALTA's Strategic Priorities Update

1) Intro: ALTA's Mission

- a. Help members excel in a changing business and regulatory environment:
 - i. Advocate
 - ii. Educate
 - iii. Build Networks
 - iv. Create and promote professional industry standards
- b. Introduce 2024 Priorities

2) Champion the title insurance industry and combat regulatory threats

- a. Unregulated Title Insurance Alternatives
 - i. Fannie Mae expanded use of Attorney Opinion Letters
 - ii. Limited Circumstances
 - iii. Significantly increases risk to consumers and lenders
 - iv. Industry Response
 - Protecting America's Property Right Act
 - FAQs on title insurance vs. AOLs
 - v. Industry Impact
- b. FinCEN: Beneficial Ownership Information
 - i. Went into effect Jan 1, 2024

- ii. Reporting to FinCEN

- iii. Do you need to comply?

- iv. How to comply?
 - When to report

- v. Fines/penalties

- c. FinCEN: Real Estate Money Laundering
 - i. Geographic Targeting Orders that began in January 2016 requiring title insurance companies to file reports and maintain records concerning all-cash purchases of residential real estate above a certain threshold in select metropolitan areas of the United States

 - ii. Renewed and expanded in October 2023

 - iii. Notice of proposed rulemaking expected

- d. Other Regulator Concerns
 - i. CFPB

 - ii. FTC

- 3) **Promote title insurance as the best way to protect property rights**
 - a. Non-Title Recorded Agreements for Personal Services (NTRAPS)
 - i. Protecting consumers

 - ii. 16 states have passed versions of the ALTA model bill

- b. Heirs' Property
 - i. What is heirs' property?
 - ii. Challenges to heirs' property
 - iii. What can be done?
 - iv. Legislative steps

- c. Discriminatory Covenants
 - i. Background
 - ii. Different approaches to mitigate
 - iii. Federal legislation

- d. Consumer Education

- e. ALTA Good Deeds Foundation

4) **Succeed through adaption and innovation**

- a. Digital Closings
 - i. Industry statistics

- b. Digital Payment Methods/Good Funds Laws
 - i. Payment rail (wire transfers, RTP, Fed Now, ACH)
 - ii. State law research

- iii. Model Law
 - Protection principles

- iv. Resources

- c. Fraud

- i. Seller impersonation

- Fraudsters impersonating owners to illegally sell property

 - Typically target vacant lots or unencumbered properties

- ii. Wire Transfer Fraud

- FBI: \$400M in losses in 2022 due to BEC scams

 - New industry tools

 - ALTA Best Practices

 - Resources

- iii. Cybersecurity