



Dateline Austin Legislative Update: March 1, 2017

By TLTA Staff
March 1, 2017

This week, TLTA discusses the bill we are opposed to and the position we are supporting, as well as proposed power of attorney legislation.

TLTA Begins Process of Developing Legislative Positions

As many bills are still in the process of developing, TLTA has not yet taken an official position on most of the bills we are monitoring. However, there are two items on which we have taken a specific position:

- **SB 372, by Sen. Bob Hall: Opposed.** This bill proposes reregulation of the title insurance structure to a file-and-use system. You can find materials on our [Texas Title Insurance Works Toolbox](#) explaining why reregulation would severely impact consumers and the industry. You can also direct clients and colleagues to our public site for consumers, [TexasTitleWorks.com](#).
- **TLTA's Affirmative Agenda: Support.** Our affirmative agenda for this legislative session is to seek the introduction and passage of a bill that will provide a statutory means of adversely possessing real property against co-tenants; currently, no such mechanism exists. The need for such a path was discovered when lower-income individuals and families could not obtain disaster relief assistance from the federal government because they could not prove up their property ownership. [Read more](#) about our affirmative agenda.

Powers of Attorney: Should Title Companies Be Required to Accept Them?

A significant discussion currently taking place involves the question of whether financial institutions and title companies should be required to accept a durable power of attorney. These bills include [HB 1974](#), by Sen. John Wray and [SB 926](#), by Sen. Eddie Rodriguez.

Last session, the probate section of [Real Estate, Probate and Trust Law](#) pushed for language in the recodification of the probate statutes, which would have removed any discretion of

financial institutions and title companies regarding the acceptance of durable powers of attorney. The probate attorneys seeking this change have expressed frustration that some institutions have established blanket policies that prevent them from accepting powers of attorney.

On the other hand, both financial institutions and the title industry note that they must maintain the discretion needed to reject powers of attorney to prevent fraud. Rep. John Wray has filed [HB 1974](#) and has asked various stakeholders to work together to see if there is a way to address the frustrations of the probate attorneys while not exposing financial institutions to increased risks of fraud.

TLTA is working with Rep. Wray as well as all involved stakeholders to see what might be accomplished.

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