

SENATE BILL NO. 36

BY SENATOR MORRISH

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

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AN ACT

To amend and reenact R.S. 22:512(1) and 17(b)(vi)(introductory paragraph) and R.S. 37:212(A)(2)(d), relative to abstracts of title; to provide definitions; to provide relative to title insurance; to provide relative to abstracts of title and title examination and opinions; to provide relative to the practice of law; to provide definitions, terms, procedures, conditions, and requirements; to provide for an effective date; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

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

§512. Definitions

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

(1)(a) "~~Abstract of title~~" or "~~abstract~~" shall mean ~~a written history, synopsis, or summary of the recorded instruments affecting the title to movable or immovable property~~ **a written history, synopsis, or summary of the recorded instruments in the public records affecting the title to immovable property that: (i) is prepared and certified by the abstractor in accordance with the minimum search periods and requirements of a title opinion as set forth in Paragraph (17) of this Section; (ii) includes a photocopy or electronic copy of such recorded instruments, or extracts of such recorded instruments prepared by the abstractor who personally reviewed such recorded instruments; and (iii) is dated and signed by the abstractor and presented to an attorney duly licensed and authorized to practice law in Louisiana, as set forth in Paragraph (17) of this Section and R.S. 37:212, for examination.**

(b) **For the purpose of this Paragraph, "public records" shall mean all instruments, including actual attachments thereto, which are recorded in the**

mortgage and conveyance records maintained by the clerk of court of the parish in which the property is situated, and the ad valorem property tax records for the parish and political subdivision in which the property is situated.

(c) Nothing in this Section prohibits any attorney duly licensed and authorized to practice law in Louisiana from personally reviewing and examining the public records in order to certify or give an opinion as to the title to immovable property.

\* \* \*

(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 agent any of the following activities when conducted or performed in contemplation of or in conjunction with the issuance of a 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~~ the public records or a personal examination of an abstract. Such examinations shall be conducted and title opinion rendered only by an attorneys duly licensed and authorized to practice law in Louisiana as provided in R.S. 37:212. 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:

\* \* \*

Section 2. R.S. 37:212(A)(2)(d) is hereby amended and reenacted to read as follows:

§212. "Practice of law" defined

A. The practice of law means and includes:

\* \* \*

(2) For a consideration, reward, or pecuniary benefit, present or anticipated, direct or indirect;

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(d) Certifying or giving opinions, or rendering a title opinion as a basis of any title insurance report or title insurance policy as provided in R.S. 22:512(17), as it relates to title to immovable property or any interest therein or as to the rank or priority or validity of a lien, privilege or mortgage as well as the preparation of acts of sale, mortgages, credit sales or any acts or other documents passing titles to or encumbering immovable property.

\* \* \*

Section 3. This Act shall become effective on January 1, 2012.

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PRESIDENT OF THE SENATE

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SPEAKER OF THE HOUSE OF REPRESENTATIVES

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GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: \_\_\_\_\_