

MINUTES  
**HOUSE BUSINESS COMMITTEE**

**DATE:** Thursday, March 19, 2015

**TIME:** 1:30 PM or Upon Adjournment

**PLACE:** Room EW41

**MEMBERS:** Chairman Barbieri, Vice Chairman Clow, Representatives Collins, Crane, Palmer, Thompson, Batt, Hixon, Kauffman, Monks, Anderst, Beyeler, DeMordaunt, Dixon, Troy, Smith, Rusche, Jordan

**ABSENT/  
EXCUSED:** Representative(s) Batt, Dixon

**GUESTS:** Lyn Darrington, Idaho Title Underwriters; John Eaton, Realtors; Tom Donovan, DOI; Jim Scanlon, DOI; Robert Rice, Western Land Title; Andrew Mitzel, Realtors; Trent Wright, Idaho Bankers Association

**Chairman Barbieri** called the meeting to order at 1:31 PM.

**MOTION:** **Rep. Beyeler** made a motion to approve the minutes of March 9, 2015. **Motion carried by voice vote.**

**Rep. Troy** introduced family members in attendance at the meeting.

**DOCKET NO.  
10-0103-1401:** **Keith Simila**, Executive Director of the Idaho Board of Licensure of Professional Engineers and Professional Land Surveyors, requested approval of pending rule, **Docket No. 10-0103-1401**, which relates to the Board's Rules of Corner Perpetuation and Filing (CP&F). It has the support of professional engineering and surveying societies and associations in Idaho. He said when the rule came before the subcommittee earlier this year, they had no concerns with the rule itself but did raise concerns that a related law change was not yet enacted. That bill, **S 1079**, now has been signed by the governor.

**Mr. Simila** said, in regard to the pending rule itself, the CP&F forms and Record of Survey (ROS) maps, are filed or recorded in county court houses as a perpetual record of survey work done and property corner monuments set or reset by land surveyors. These records document in one official location evidence of property corners and public land survey corners. The purpose for the rule change is to improve readability on the ROS map by placing the corner record history on the CP&F form instead of the ROS map. The law previously required all existing corner record instruments numbers be shown on the ROS map. The Board and the Idaho Society of Professional Land Surveyors want to show only the most current corner record instrument number on the ROS map, and move the corner record history to the CP&F form. **S 1079** modified the ROS map requirements to show only the most current corner record instrument number. The board modified the CP&F form to include the changes described in this rule.

**MOTION:** **Rep. Ruche** made a motion to approve **Docket No. 10-0103-1401**. **Motion carried by voice vote.**

**H 277:** **Lyn Darrington**, representing the Idaho Title Underwriters, presented **H 277** which addresses the practice of issuing a closing or settlement protection letter (CLP). She said CPLs have been part of the real estate closing process for many years. Lenders usually require a title underwriter to issue a CPL before a loan is funded during a closing. CPLs protect buyers, borrowers and lenders against theft of closing funds or failure to comply with written closing instructions.

**Ms. Darrington** said the legislation accomplishes two things. First, it codifies the existing practice of issuing CPLs and clarifies that the closing protection letter is part of the title insurance product. While the CPL covers buyers, borrowers and lenders with a single transaction, they wanted to make it clear that a CPL is considered one transaction for which a single rate is charged and covers all the parties – the buyer, the borrower and the lender. Second, the bill caps the rate that can be charged for a CPL. The rate must be filed with the Department of Insurance when all policies and rates are filed, be the only rate charged and not exceed the cap of \$25.00. The Bankers Association requested the included language that states a buyer, borrower, lender, or a title insurer retains all their respective rights and remedies in connection with these types of losses, except as otherwise provided for in the language of the CPL.

**MOTION:** **Rep. Kauffman** made a motion to send **H 277** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Thompson** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting adjourned at 1:49 PM.

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Representative Barbieri  
Chair

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Francoise Cleveland  
Secretary