

Contact: Megan Hernandez
Office: 202-261-0315
Email: mhernandez@alta.org

For Immediate Release

New Nebraska Law Will Protect Homebuyers from Predatory Contracts

WASHINGTON, D.C., April 26, 2024 – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, AARP, and the Nebraska Land Title Association (NELTA) applaud the Nebraska Legislature for passing Legislative Bill (LB) 1073, which includes provisions protecting homeowners from the predatory practice of filing unfair real estate fee agreements in property records, known as Non-Title Recorded Agreements for Personal Services (NTRAPS). The new law will make NTRAPS unenforceable.

“The property rights of American homebuyers must be protected,” said ALTA Vice President of Government Affairs Elizabeth Blosser. “We have to ensure that there are no unreasonable restraints on a homebuyer’s future ability to sell or refinance their property due to unwarranted transactional costs.”

“The passage of LB 1073 is a continuation of AARP’s advocacy efforts, undertaken in collaboration with ALTA in other states, to put an end to this harmful practice,” said AARP Government Affairs Director Samar Jha. “We look forward to working on similar legislative solutions in other states to help protect homeowners against this predatory real estate practice.”

LB 1073 follows the objective of similar bills introduced across the country to provide a remedy for existing NTRAPS while also discouraging these types of unfair practices impacting homeowners.

"NELTA is thrilled that Nebraska passed this legislation promoting the alienability, marketability, and protection of Nebraska homeowners from predatory and anti-competitive practices," said NELTA President Suzy Beel.

“Older homeowners are more affected by economic downturns, as many of them are living on a fixed income,” said AARP Nebraska Volunteer State President Suzan DeCamp. “They’re particularly vulnerable to marketing techniques—such as offers for quick cash—and need extra safeguards to protect their most valuable asset and financial security. LB 1073 will protect homeowners against this type of deceptive marketing and allow them to preserve their investments in their homes. We’re appreciative of Sen. Robert Dover’s (R-NE) work on the legislation and applaud Nebraska Gov. Jim Pillen for signing the bill into law.”

The new law will:

- Make NTRAPS unenforceable by law.
- Restrict and prohibit the recording of NTRAPS in property records.
- Create penalties if NTRAPS are recorded in property records.

Pillen signed the bill into law on April 18.

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About ALTA

The [American Land Title Association](#), founded in 1907, is a national trade association representing more than 6,000 title insurance companies, title and settlement agents, independent abstracters, title searchers and real estate attorneys. ALTA members conduct title searches, examinations, closings and issue title insurance that protects real property owners and mortgage lenders against losses from defects in titles.