



## **The Title Industry Consumer Initiative**

### ***Multi-faceted Strategy for Improving Oversight of the Industry and Educating and Protecting Consumers***

The following sets forth the title industry's commitment to educate and empower consumers, and to adhere to a set of ethical standards and business practices that ensures that consumers are being maximally served.

- 1. Adopt a “Principles of Fair Conduct” (Principles) for the association and its members that demonstrates a commitment to the ethical and fair treatment of consumers.**
  - Communicate ALTA's Principles to members, state associations, and other industry affiliates and promote its standards.
  - Create an ALTA working group to conduct an annual review of the Principles to ensure that it continues to serve the needs of consumers on an ongoing basis.
  - Communicate the Principles to federal and state regulators, soliciting their comments to ensure the Principles adequately meets the needs of their constituents.
  
- 2. Conduct ongoing Industry Education to promote the fair and ethical treatment of consumers, including adherence to the laws and regulations governing the business of title insurance.**
  - Provide seminars and other materials to explain and promote appropriate standards of ethical behavior by providers of title-related services.
  - Provide seminars and other materials to members on federal and state laws applicable to their business practices.
  - Encourage members to regularly review their practices and business arrangements to ensure that they are lawful and consistent with high standards of ethical behavior.
  - Provide information and assistance to members to facilitate the development of a “Consumer Statement” with specific provisions for how they will treat those who will be paying for their products and services.
  - Work with HUD to determine if there are self-regulatory measures that the title industry can adopt that would complement RESPA enforcement activities and help the industry achieve greater compliance with RESPA.

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3. **Develop a consumer education program to help consumers become educated purchasers of title insurance and title-related services.**
  - Develop and maintain a separate consumer Web site that explains the title insurance and closing process, and how to shop for title and title-related services.
  - Launch a consumer awareness campaign to further public understanding about title insurance and to let consumers know about the new Web site.
    - Work with the news media to disseminate information to consumers via articles and columns.
    - Advertise on Web sites that are visited by consumers shopping for a home or seeking information about the closing process.
    - Register with appropriate search engines to reach consumers specifically seeking information about title insurance.
    - Work with members, realtor groups, lender groups and other entities involved in real estate to encourage better consumer education about title insurance, and to facilitate links to the new consumer Web site.
  
4. **Work with federal legislators and regulators to help them better understand the business of title insurance, and solicit feedback on how the industry can better meet the needs of consumers.**
  - Host seminars and other educational programs to familiarize Hill staffers about title insurance, closing costs and the closing process.
  - Develop educational materials for dissemination to legislators, regulators and their staffs.
  - Communicate information about the title industry through an educational outreach campaign that includes advertising in print, radio and cable.
  - Meet with appropriate legislators, regulators and staff members to encourage feedback on what the industry can do to meet the needs of their constituents.
  - Seek clarification from HUD on RESPA provisions related to the title industry to ensure compliance with the letter as well as the spirit of the law.
  
5. **Work with state legislators and regulators to help them better understand the business of title insurance, and solicit feedback on how the industry can better meet the needs of consumers.**
  - Create a new ALTA staff position to serve as a liaison between the title industry, state governments and the NAIC to encourage two-way communication, seek guidance on regulatory matters, and ensure that consumers are being served.
  - Develop educational materials for dissemination to state legislators, regulators and their staffs.
  - Stay abreast of new regulatory and judicial decisions that impact the rules and laws governing title insurance in order to communicate those to ALTA's members.
  - Seek clarification on laws, regulations and provisions related to oversight of the title industry to ensure compliance with the letter as well as the spirit of the law.