



November 4, 2025

The Honorable Andrew Garbarino  
U.S. House of Representatives  
2344 Rayburn House Office Building  
Washington, DC 20515

The Honorable Vicente Gonzalez  
U.S. House of Representatives  
1201 Longworth House Office Building  
Washington DC 20515

Dear Representatives Garbarino and Gonzalez:

We, the undersigned organizations, write to express our strong support for H.R. 3206, the Protecting America's Property Rights Act.

The Protecting America's Property Rights Act aims to reduce risk and increase transparency for homebuyers, lenders, and the broader housing market by requiring that all federally backed mortgages be insured by a properly state-regulated product, such as title insurance. Recently, Fannie Mae and Freddie Mac have allowed the use of alternatives to title insurance, such as certain attorney opinion letters (AOLs), that are not subject to the same rigorous, state-based regulatory regime. While these unregulated alternatives are often marketed as "equally protective and less expensive", that is not the case. Nor are they subject to the same regulatory oversight that holds title companies accountable to consumers. H.R. 3206 would ensure products used to insure title risk are properly regulated and would preserve the safeguards that make real estate transactions secure and reliable.

When a title insurance policy is purchased, title professionals conduct detailed curative work to identify and resolve potential defects before closing, insuring against unforeseen issues such as undisclosed liens, fraud, or forgery. Unregulated alternatives, which are growing in prominence across the country, do not offer the same curative work or coverage and leave consumers exposed to risks like fraud or forgery. Combined, fraud and forgery represent 21 percent of all claim dollars paid by the title industry, and the average cost of such a claim now exceeds \$143,000.<sup>1</sup> These unregulated alternatives also do not include a duty to defend, a hallmark of a title insurance policy, that requires the title insurer to cover legal costs and representation if a title dispute arises, rather than the homeowner or lender.

Moreover, most alternatives, like AOLs, only protect the lender, leaving homeowners responsible for purchasing separate coverage, which can increase costs and leave consumers

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<sup>1</sup> Milliman, *Analysis of Claims and Claims-Related Losses in the Land Title Insurance Industry*, May 2024, <https://www.alta.org/media/pdf/240517-analysis-of-claims-and-claims-related-losses-in-the-land-title-insurance-industry.pdf>.

without the coordinated protections and efficiencies provided under a state-regulated title insurance policy. However, this is not always made clear to home buyers, increasing the likelihood that they go unprotected. Recently, some state officials have echoed this concern, including the Virginia Commissioner of Insurance, who wrote in a recent Administrative Letter that, “the gap in coverage may leave consumers without protection that they believe they purchased.”<sup>2</sup>

Beyond the difference in coverage between title insurance and these alternatives is the fact that there is no regulatory regime overseeing how these alternatives are structured or marketed to consumers. Title insurance is comprehensively regulated at the state level by departments of insurance to ensure policies and rates are fair, non-discriminatory, and adequately protect consumers. These alternatives are often marketed as less expensive than title insurance, but that is very often not the case. Unfortunately, providers of these alternatives do not need to comply with the same state-based regulations that ensure transparency of coverage pricing for homebuyers and lenders.

H.R. 3206 would guarantee that all products being marketed and utilized to insure title risk on federally backed mortgages are properly regulated at the state level. This regulatory clarity will make certain that homebuyers understand the coverage and pricing of the products they choose to protect their largest investment – their home.

The title industry, comprised of more than 150,000 title professionals across the country, takes our duty of protecting homebuyers and lenders seriously. That is the core principle of our work. We are deeply concerned that homebuyers and lenders are falling victim to persuasive marketing for products that are not what they claim to be. The Protecting America’s Property Rights Act would put an end to this unregulated practice, and we urge all members of Congress to support it.

We greatly appreciate your leadership, and we look forward to continuing to work with you and Congress to enact this important legislation.

Sincerely,

American Land Title Association  
Arkansas Land Title Association  
California Land Title Association  
District of Columbia Land Title Association  
Florida Land Title Association  
Idaho Land Title Association  
Illinois Land Title Association  
Indiana Land Title Association  
Iowa Land Title Association

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<sup>2</sup> Virginia State Corporation Commission, Bureau of Insurance, *Administrative Letter 2025-05: Gap in Coverage Attorney Opinion Letters*, September 30, 2025, [https://pxl-sccvirginiagov.terminalfour.net/prod01/channel\\_3/media/sccvirginiagov-home/regulated-industries/insurance/insurance-companies/administration-of-insurance-regulation-in-virginia/administrative-letters/AL-2025-05.pdf](https://pxl-sccvirginiagov.terminalfour.net/prod01/channel_3/media/sccvirginiagov-home/regulated-industries/insurance/insurance-companies/administration-of-insurance-regulation-in-virginia/administrative-letters/AL-2025-05.pdf)

Kansas Land Title Association  
Kentucky Land Title Association  
Land Title Association of Alabama  
Land Title Association of Arizona  
Land Title Association of Colorado  
Land Title Association of Mississippi  
Louisiana Land Title Association  
Maryland Land Title Association  
Michigan Land Title Association  
Minnesota Land Title Association  
Missouri Land Title Association  
Montana Land Title Association  
Nebraska Land Title Association  
Nevada Land Title Association  
New England Land Title Association (CT, MA, ME, NH, RI, VT)  
New Jersey Land Title Association  
New York State Land Title Association  
North Dakota Land Title Association  
Ohio Land Title Association  
Oklahoma Land Title Association  
Oregon Land Title Association  
Pennsylvania Land Title Association  
South Dakota Land Title Association  
Southeast Land Title Association (AL, GA, MS)  
Tennessee Land Title Association  
Texas Land Title Association  
Utah Land Title Association  
Washington Land Title Association  
Wisconsin Land Title Association