



Title Insurance in Vermont

- The title insurance industry employs 464 professionals across Vermont.
- There are more than 80 title company offices in communities throughout Vermont.
- More than 5,320 Vermonters were able to get a mortgage and buy homes in 2016 thanks to the protection against forgery, fraud, and errors in property records that title insurance provides.¹

Not Like Other Insurance: Low Claims Rates Mean We're Doing our Job

- The cost of title insurance (averaging just 0.5% of the mortgage cost) includes identifying and often resolving problems *before* the home is purchased, meaning that claims rates are typically very low.²
- About 80% of the cost of a title policy goes to the title agent, who performs a complex search of public and private records looking for previous liens, tax issues, unpaid child support, ownership disputes, forgery or fraud and other possible issues that could affect the property.
- The remaining 20% of the cost of a title policy goes to the title insurance underwriter, who assumes the risk of resolving and defending the policy holder against future legal claims against the ownership of the property.

How Congress Can Help

Pass TRID Improvement Act

Under the Consumer Financial Protection Bureau's (CFPB) TILA-RESPA Integrated Disclosures (TRID) rule, title insurance companies are not permitted to disclose available discounts for title insurance on TRID's required disclosure forms. This creates inconsistencies in mortgage documents, causes confusion for homebuyers and undermines trust in the homebuying process. The TRID Improvement Act of 2018 (H.R. 5078, S.2490) would resolve this issue by allowing the accurate disclosure of title insurance premiums. Having already passed the House unanimously in February 2018, **the Senate should pass the TRID Improvement Act either as a standalone measure or as part of a larger regulatory relief package.**

Pass GUIDE Compliance Act

The release of the 1,888 page TRID rule has generated significant confusion. The Bureau has provided only limited guidance in response to questions and has routinely advised that the guidance is not binding.³ To address this issue, Reps. Sean Duffy (R-WI) and Ed Perlmutter (D-CO) introduced H.R. 5534, The "Give Useful Information to Define Effective Compliance Act" or the "GUIDE Compliance Act". Please help us resolve this issue by **supporting House passage and Senate introduction of the GUIDE Compliance Act.**

¹ CFPB, *Home Mortgage Disclosure Act Data*, 2016

² Bankrate.com, *Closing Costs Survey*

³ Treasury, *A Financial System That Creates Economic Opportunities Banks and Credit Unions*, June 2017