

American Land Title Association and Utah Land Title Association Applaud Utah on Passage of First NTRAPS Bill

WASHINGTON, D.C., March 1, 2023 – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, and the Utah Land Title Association applaud the Utah legislature for passing H.B. 211, which will protect homeowners from the predatory practice of filing of unfair real estate fee agreements in property records, known as Non-Title Record Agreements for Personal Service (NTRAPS). Utah is the first state to pass NTRAPS legislation this year.

[H.B. 211](#) follows a model bill, which ALTA helped draft with input from national stakeholders. The model bill created a blueprint for states wishing to provide a remedy for existing NTRAPS while also discouraging future unfair and deceptive practices.

“Today, the Utah legislature has affirmed that they are committed to protecting homeowners and their largest financial investment,” said ALTA CEO Diane Tomb. “NTRAPS is a deceitful, predatory practice, and homeowners in Utah can now breathe a sigh of relief that real estate brokerage firms can no longer continue these schemes, which impact homeowners’ future ability to sell or refinance property.”

NTRAPS have been recorded in property records since 2018. The practice preys upon homeowners, offering small cash gifts in exchange for decades-long contracts for the exclusive rights to sell the property.

Submitting NTRAPS for inclusion in property records characterized as liens, covenants, encumbrances, or security interests in exchange for money creates impediments and increases the cost and complexity of transferring or financing real estate in the future.

“The Utah Land Title Association applauds the state legislature’s efforts to end these harmful practices,” said Cort Ashton, the Utah Land Title Association’s Legislative Chair. “This bill came into fruition thanks to the collaborative efforts of many of our industry partners, including the Utah Association of Realtors, and we are pleased that the state legislature has recognized that this abusive and anti-consumer activity has no place in Utah.”

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.
- Provide for the removal of NTRAPS from property records and recovery of damages.

H.B. 211 will head to the desk of Utah Gov. Spencer J. Cox in the coming days, and once signed will go into effect April 1.

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About ALTA

The [American Land Title Association](#), founded in 1907, is the national trade association representing more than 6,500 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.