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For Immediate Release

ALTA Commends Leadership of House Democrats Questioning Administration's Title Waiver Program

Plan shifts risk to Government Sponsored Enterprises from state regulated title companies without addressing affordability

Washington, D.C., April 17, 2024 — The [American Land Title Association](#) (ALTA), the national trade association of the land title insurance industry, commends the group of 18 Democratic Members of Congress—led by Rep. Wiley Nickel (D-NC)—who wrote a letter to President Biden expressing concerns regarding the administration's plan approved by the Federal Housing Finance Agency (FHFA) to waive title insurance on loans purchased by Government Sponsored Enterprises (GSEs) Fannie Mae and Freddie Mac.

"While well-intentioned, this pilot program will not address the true issue of housing affordability in our communities and puts homebuyers at risk," the members wrote. "Title insurance professionals halt fraudulent real estate transactions such as impersonation scams, elder financial exploitation, and attempts to defraud spouses, partners, or other property heirs. Under the new program, consumers and lenders will be forced into a completely experimental claims resolution process with the GSEs, ultimately risking being forced into property sale or foreclosure. We ask that you reconsider moving forward. While we understand the enormity of the housing affordability crisis, shifting risk from the well-regulated title insurance industry to the GSEs and pushing small businesses out of the real estate ecosystem is not the right path forward to address that crisis."

"On behalf of title companies in every county nationwide, who work tirelessly every day to protect the American dream of homeownership, we commend the leadership of Rep. Nickel and his Democratic colleagues in raising serious concerns about the administration's title waiver pilot program," said ALTA CEO Diane Tomb. "While well intentioned, this program is flawed—removing the expertise and protections provided by title professionals and doing little to promote homeownership affordability for those who need it the most while heightening risk at Fannie Mae and Freddie Mac. It is encouraging to have such thoughtful Members of Congress who understand the importance of sound housing policy."

Other signers of the letter were Rep. Jake Auchincloss (D-MA), Rep. Lou Correa (D-CA), Rep. Jim Costa (D-CA), Rep. Joe Courtney (D-CT), Rep. Angie Craig (D-MN), Rep. Henry Cuellar (D-TX), Rep. Vicente Gonzalez (D-TX), Rep. Josh Gottheimer (D-NJ), Rep. Joe Morelle (D-NY), Rep. Scott Peters (D-CA), Rep. Brittany Pettersen (D-CO), Rep. Deborah Ross (D-NC), Rep. Brad Sherman (D-CA), Rep. Ritchie Torres (D-NY), Rep. Marc Veasey (D-TX), Rep. Jennifer Wexton (D-VA) and Rep. Nikema Williams (D-GA). To read the letter in its entirety, click [here](#).

The title waiver program has faced bipartisan backlash from Members of Congress since being revived ahead of the State of the Union. Last month, three Republican members from the House Financial Services Committee—Warren Davidson (R-OH), Bill Huizenga (R-MI) and Andrew Garbarino (R-NY)—[wrote a letter](#) to the FHFA questioning whether the program conflicts with the agency's Prior Approval for Enterprise Products rule.

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About ALTA

The [American Land Title Association](#), founded in 1907, is the 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.