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For Immediate Release

ALTA, AARP Applaud Maine for Passage of NTRAPS Bill

Washington, D.C., June 28, 2023 – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, alongside AARP, the New England Land Title Association (NELTA) and AARP Maine applaud the Maine legislature for passing Legislative Document (LD) 1306, which will protect homeowners from the predatory practice of filing of unfair real estate fee agreements in property records, known as Non-Title Recorded Agreements for Personal Services (NTRAPS). The new law will make NTRAPS unenforceable by law.

“The property rights of American homebuyers must be protected,” said ALTA Vice President of Government Affairs Elizabeth Blosser. “A home often is a consumer’s largest investment, and the best way to support the certainty of landownership is through public policy. We have to ensure that there are no unreasonable restraints on a homebuyer’s future ability to sell or refinance their property due to unwarranted transactional costs.”

“This follows our advocacy efforts we have undertaken in collaboration with ALTA in other states and we expect and hope to work on similar legislative solutions in other states in helping homeowners against such predatory housing practices,” said AARP Government Affairs Director Samar Jha.

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.

LD 1306 follows the objective of similar bills introduced across the country to provide a remedy for existing NTRAPS while also discouraging these types of unfair practices impacting homeowners.

“The NELTA appreciates the work conducted by the legislature and the governor to curb this type of predatory practice and protect the consumers of Maine,” said NELTA Executive Director Mark Bennett, CAE.

“Passage of LD 1306, An Act to Protect Homeowners from Unfair Agreements to Exclusively List Residential Real Estate for Sale, will provide Mainers some peace of mind by protecting them from unfair service agreements,” said Bridget Quinn, Associate State Director of Advocacy and Outreach at AARP Maine. “As they search for supportive services that will enable them to live with dignity and independence in their own homes, many older Mainers are being enticed with unfair service agreements promising quick cash as a marketing technique. Older adults can be especially

vulnerable and need the extra safeguards provided by LD 1306 to be protected from such unfair, deceptive and abusive practices.”

The new law will:

- Make NTRAPS unenforceable by law.
- Restrict and prohibit the recording of NTRAPS in property records.
- Provide for the removal of NTRAPS from property records and recovery of damages.

Maine Gov. Janet Mills signed LD 1306 on June 23, 2023.

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About ALTA

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