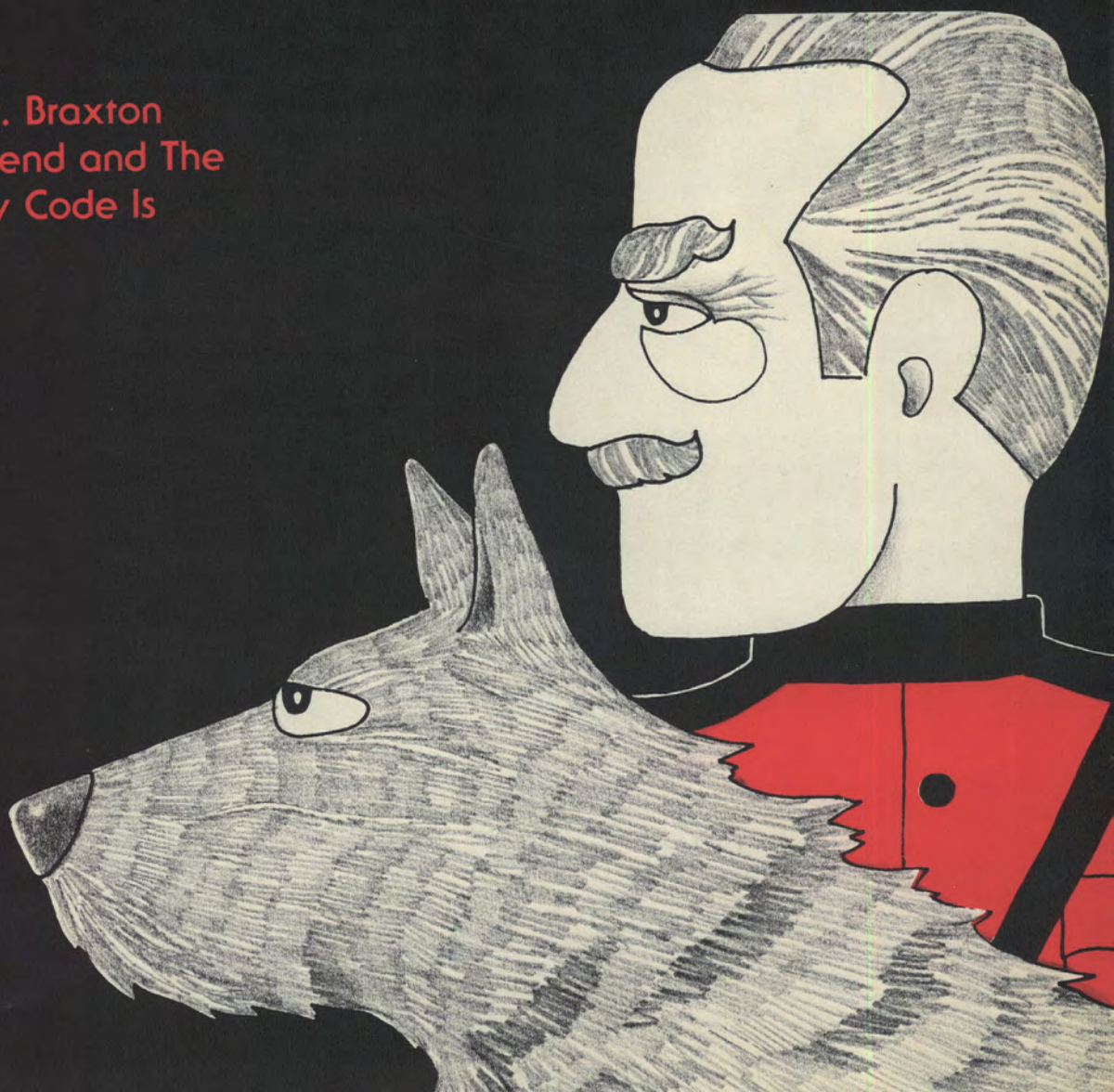
TITLE NEWS

June 1980

In This Issue: Sgt. Braxton Becomes A Legend and The New Bankruptcy Code Is Assessed



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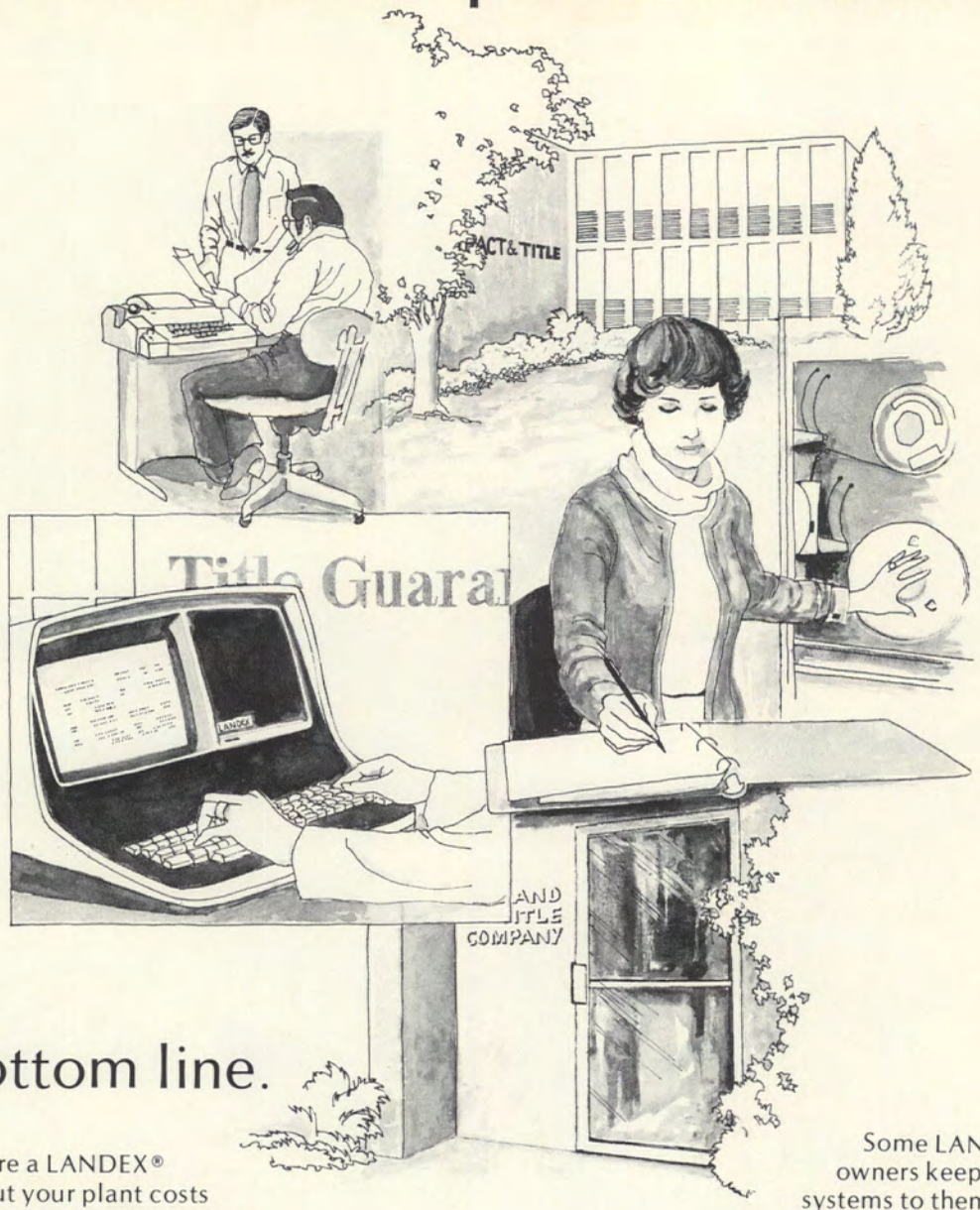

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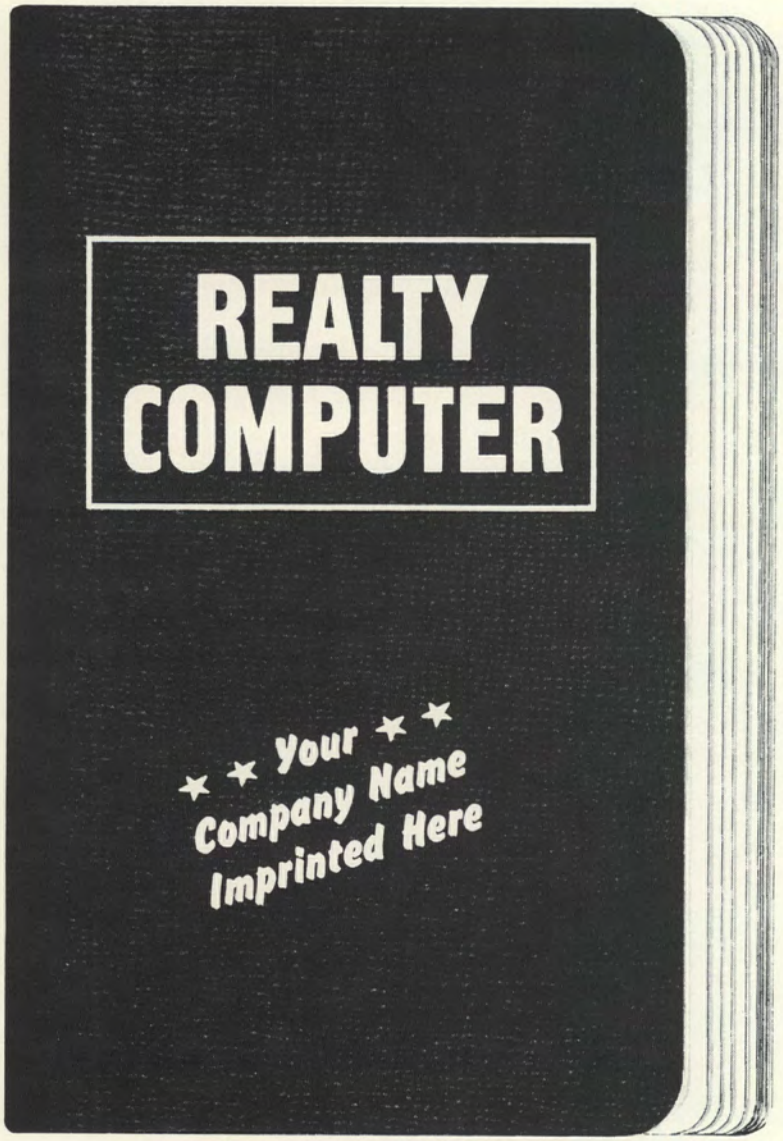

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A Message From The President . .

As this is being written I am finishing seven months of my term as president of your Association. It has been a very busy seven months, and the remaining five promise to be even busier. The only disappointing aspect of this period has been the depression that has engulfed the real estate, homebuilding and mortgage lending industries of almost the entire nation. This, of course, has resulted in the worst decline in title business any of us ever has experienced.

It now appears that a major turnaround may be in sight by the time this is published. The trend to higher and higher interest rates just now seems to have been reversed. When the turnaround does occur, the title industry will have survived another vicious real estate cycle over which it has absolutely no control. On the brighter side, most of us will have slimmed down our workforces to the point which should help produce better profits during the upturn.

But there is more potential trouble on the horizon which we do have some ability to control, provided our industry, working through ALTA, will marshal its resources and pull together to deal with that trouble.

After Congress convenes in 1981 we can expect the issues of mandatory Torrens systems, lender-pay, federal regulation of settlement costs, repeal of the McCarran-Ferguson Act, and controlled business to get serious attention. Your Association has already spent a great deal of time, effort and money in preparation to deal effectively with those issues.

But a different kind of effort is essential from our membership. First, it is important that each of us establish an effective line of personal communication with our respective senators and congressmen. Second, it is important that we elect to Congress people who share our own philosophies of free enterprise and reduction of federal government involvement in private business. To do this we must be able to furnish financial support to those candidates who share our economic and political philosophies.

We can do this through our Title Industry Political Action Committee (TIPAC). It is incumbent upon us all as individuals in the title industry to make generous contributions to TIPAC. Give as much as you can as soon as you can. The election year of 1980 is the most critical our industry has ever faced. We must all be certain that we have done our part–both in establishing communication with our senators and congressmen and in contributing to TIPAC.

Robert C. Bates

Robert C. Bates

THE MAKING OF A LEGEND

Popularity Of Sgt. Braxton Spots Grows

ALTA's award-winning public service radio spots (PSAs) featuring Sgt. Braxton and Zing have posted a new high in favorable nationwide exposure for the land title industry.

Despite a slumping real estate market, the latest Braxton land title episodes have been enthusiastically accepted for 1980 airing by the Mutual Broadcasting System, by the Associated Press Radio Network, and by over 1,200 other individual stations. That means repeated airing by a grand total of more than 2,500 stations from coast to coast in broadcast time for which ALTA makes no payment—and a cumulative audience extending well into the millions.

In traditional format, the PSAs once again find the mythical retired Canadian Mountie and his dog encountering land title problems in an amusing manner while seeking peaceful home ownership in the United States. The spots encourage listeners to write ALTA for free information on title insurance and other home buying precautions.

Last year's Braxton adventures received the Gold CINDY Award of the Information Film Producers of America, which designated them as the top radio PSAs in the nation, and re-

ceived the Thoth Award of Excellence from National Capital Chapter, Public Relations Society of America. The Braxton spots are created and written by ALTA Vice President—Public Affairs Gary L. Garrity, and are produced in conjunction with ADS Audio Visual Productions, Inc., Falls Church, Va., as an activity of the ALTA Public Relations Program.

High Creative Quality

Reaction to the Braxton episodes from both broadcasters and listeners has made it clear that the high creative quality of the spots has much to do with their impressive success in the ever-increasing competition for available public service broadcast time. The resulting nationwide exposure brings significant positive impact on public opinion and helps counter misinformation.

"Reaction to the Braxton episodes from both broadcasters and listeners has made it clear that the high creative quality of the spots has much to do with their impressive success. . . ."

Three, 60-second Braxton land title adventures are included in the 1980 ALTA radio offering.

In one, the sergeant and his dog have purchased a home surrounded by a swamp—and depend on a narrow strip of land for ingress and egress. When they attempt to use the strip, they find it blocked by the owner—who is carrying a shotgun and announces that he has "cut off the easement." As the spot closes, sergeant and dog are wading through the swamp—and a group of irascible alligators—in order to reach nearby land.

In another, Sgt. Braxton and Zing encounter the actual owner of a home they have just purchased when the man drives up and begins unloading beehives from

Praise and encouragement from broadcasters—something infrequently encountered with public service material—is a recurring characteristic in response to the widely acclaimed ALTA Sgt. Braxton radio PSAs.

Here is a sample of comments from station personnel who have advised ALTA of plans to broadcast the 1980 radio PSAs offered by the Association.

Paul Porter, public service director, WSUM, Cleveland—"Very entertaining and informative; please continue sending us any new campaigns."

Bill Simmons, manager, KSKY, Dallas—"Good information."

Cindy Hartman, public service director, WLOI, LaPorte, Ind.—"I found these spots informative—yet they are humorous and the public response is tremendous."

Gary Bakeman, promotions director, WVCF, Orlando, Fla.—"Good quality and production."

Bill Porter, program director, WROL, Boston—"Good."

Mike O'Brien, operations manager, WOXO, Norway, Maine—"Next to Dick and Bert, the funniest stuff on radio."

Randy Roberts, WVSL, Philadelphia—"Informative and well produced."

Stacey Giomi, KPTL, Carson City, Nev.—"Good PSAs—very attention getting and informative."

Alice Ritter, PSA director, KKIO, Santa Barbara, Calif.—"Good."

Phil Bale, assistant operations director, KANY, Des Moines—"Good information, people should be aware of this."

Allen Collins, general manager, WHBI, New York City—"Good spots."

Thayne B. Rachels, public service director, WHDM, McKenzie, Tenn.—"Sgt. Braxton and Zing make a good, humorous point."

Chuck Crisler, president, KACJ, Greenwood, Ark.—"We love Sgt. Braxton and Zing, best PSA going."

Lee Russell, program director, KFAR, Fairbanks, Alaska—"Another great series."

Russ Roberts, program director, KHLO, Hilo, Hawaii—"Excellent material, much listener response."

Jack Hoppus, PSA director, WMAX, Grand Rapids, Mich.—"Please send more when you get them, very good spots."

Rod Tande, program director, KCGM, Scobey, Mont.—"Very well done."

Jim Chambers, public service director, WCVA, Culpeper, Va.—"We are very pleased with Sgt. Braxton and the other PSAs, as well as with your excellent service."

Gene Fritz, news director, WDQN, DuQuoin, Ill.—"Good campaign! Keep 'em comin'!"

Mike Gilbert, public service director, WCOW, Sparta, Wis.—"Adventures of Sgt. Braxton and Zing are very popular with us at the station and with our listeners. They're funny, top quality production and—most important—effective."

Stephen J. Puffer, public service director, WYKR, Wells River, Vt.—"Excellent campaign and excellent quality."

James Eoppolo, public service director, WILM, Wilmington, Del.—"Very well received here by staff and listeners."

Jonathan Sanidad, KRDS, Phoenix—"The PSAs were very enjoyable."

Todd Britt, program director, KJCK, Junction City, Kans.—"Good campaign."

(continued on page 8)

Confusion erupts in this 30-second ALTA television public service minidrama when subdivision residents discover they do not own their homes but the homes next door instead. The spot suggests writing ALTA for free information on title insurance and other home buyer precautions.

Jonathan Engelhard, production director, WHIR, Danville, Ky.—"Really super! PSAs with lots of production like Sgt. Braxton are used more than others. Keep up the good work!"

Dave Jeffries, public affairs director, WSSC, Sumter, S.C.—"Very good spots—and humorous!"

Ted Ventresca, program director, WKQV, Vineland, N.J.—"Always enjoyable, listener reaction very favorable."

Mike Kane, PSA director, KRSP, Salt Lake City—"Fun spots."

Carey Goin, general manager, WJSR, Birmingham, Ala.—"Well recorded, professional work, humorous."

Sharon Lynn, public service director, KPLV, Pueblo, Colo.—"Very creative."

Jerry Lousteau, program director, KLOV, Lake Charles, La.—"Scripts are very funny."

Alan Ensden, program director, WBRL, Berlin, N.H.—"We always look forward to the newest adventures of Sgt. Braxton (Ret.) and to sharing the land title message with our audience."

Larry Thornton, public service director, KRAL, Rawlins, Wyo.—"Like Sgt. Braxton!"

Tim Verthein, program director, WMIN, St. Paul, Minn.—"Braxton spots excellent! Always look forward to new versions, much D. J. enthusiasm."

Cris McGee, public service coordinator, KSPI, Stillwater, Okla.—"Good PSAs for this area."

Len Perna, program director, WPTB, Statesboro, Ga.—"They're great as usual."

Wesley Allen, program director, KLEX, Lexington, Mo.—"All spots are very good, especially those with Sgt. Braxton. Attention getting and informative."

A. W., PSA director, WBZB, Selma, N.C.—"Nice to have creative spots, usually PSAs are as dull as their writers!'

Ray Metzger, program/news director, KSRV, Ontario, Ore.—"Good series, glad to help."

Allan Ford, program director, WTMT, Glastonburg, Conn.—"Excellent."

Wayne Scholten, public affairs director, KOQT, Bellingham, Wash.—"Creative and clear."

Andy Mathis, KARV, Soda Springs, Idaho—"We love them."

Tracy Blatter, public service director, KCOW, Alliance, Neb.—"PSAs normally are run two to three times a week per topic. However, Zing is loved by all the board announcers; thus, he and Sgt. Braxton probably will be run 2-3 times per day."

a truck. When the sergeant protests and says he has a deed, the bee keeper responds that the document probably was forged "by my no-good brother—he's done it before." As the owner is emphasizing that he still owns the property and has been out of town, he accidentally drops a beehive and both sergeant and dog dive into a goldfish pond to escape the angry insects.

The third PSA finds sergeant and dog receiving an unexpected visit from the previous owner of the home they have purchased and his uncle. After arriving with his nephew via motorcycle, the uncle advises that the nephew—whom Sgt. Braxton has never seen before—is a minor and has no legal right to convey title to real estate. As the discussion continues, the nephew starts his motorcycle and makes a racing run through the yard and curves around the house—smashing a greenhouse the sergeant has just built in the rear.

Celebrity Announcements

Accompanying the Braxton spots in the 1980 PSA offering of the Association are separate 30-second celebrity announcements featuring Charlene Tilton of CBS's "Dallas;" Ricardo Montalban of ABC's "Fantasy Island," and T. G. Shepherd, country and western music star.

Celebrities also are featured in three, 30-second ALTA television PSAs distributed at the beginning of this year—which have been aired in free time by nearly 400 stations. Suggesting home buyer precautions and writing ALTA for free information in separate announcements are Ms. Tilton; Joseph Campanella, and Freddy Fender, country and western music luminary. In his particular spot, Campanella reminds that buying a home is far more complicated than purchasing personal property such as a car. These PSAs are produced in conjunction with ADS Audio Visual.

Among stations telecasting the celebrity PSAs are WISH, WRTV and WTHR, all Indianapolis; WCCB, Charlotte, N. C.; WWL, New Orleans; WCBD, Charleston, S. C.; WPTT and WPCB, Pittsburgh; WCOV, Montgomery, Ala.; WDBZ, Roanoke, Va.; WTBG, Atlanta; KCTM, Hel-

ena, Mont.; KXTX, Dallas; KTTV, Los Angeles; WAND, Decatur, Ill.; KOTA, Rapid City, S. D.; WJBK and WXON, Southfield, Mich.; WFCA, Tallahassee, Fla.; KRDO and KKTV, Colorado Springs; WHIO, Dayton, Ohio; WIBW, Topeka, Kans.; WDEF, Chattanooga, Tenn.; KBJR, Duluth, Minn.; KFYR, Bismarck, N. D.; WSBA, York, Pa.; KATU, Portland, Ore.; WVII, Bangor, Maine; KBIM, Roswell, N. M.; KSTV, Salt Lake City; and KHON, Honolulu.

Minidramas

Still another ALTA television public service activity under way this year is production of two film minidramas depicting land title problems in an amusing manner—one for spring and one for fall distribution. One minidrama depicts an older house "haunted" by title difficulties described by "ghosts"—including a deed reservation that allows railroad track to be laid through the house. The other PSA tells about a subdivision mix-up where several neighbors do not have title to their homes but instead own the respective houses next door. Both minidramas emphasize the importance of owner's title insurance.

> " 'The Great Impersonator' has received the Silver Award of the International Film & Television Festival in New York."

Although the station use report for the spring minidrama has not reached the ALTA office at this writing, a glance at results achieved with a single minidrama distributed last year provides an idea of the cost effectiveness achieved with broadcast PSAs of the Association.

This minidrama is entitled "The Great Impersonator" and humorously tells about a woman who impersonates the wife of a neighbor and signs the deed so he can sell his home without the consent of his spouse. Following production, "The Great Impersonator" was telecast some 2,275 times by 76 stations in 36 states—reaching a cumulative audience of more than 76 million. If equivalent air time were purchased, the cost would be in excess of $676,000.

"The Great Impersonator" has received the Silver Award of the International Film & Television Festival of New York. ALTA minidramas are produced in conjunction with Planned Communication Services, Inc., New York City.

Slide Package

An additional cost effective television PSA offering of ALTA that was distributed this spring is a televised slide announcement package produced in conjunction with North American Precis Syndicate, Inc., New York City. This particular offering reminds that a deed merely transfers the ownership of the seller to the buyer—no matter how limited it may be—and suggests writing ALTA for free information on title insurance and other home buying precautions. PSA slide packages of ALTA typically are telecast by 60 to 70 stations.

Recognizing that ALTA must continually reach an ever-changing audience of consumers and opinion leaders from coast to coast in order to effectively impact on public opinion, the Association Public Relations Committee and staff engage in ongoing work to maintain a flow of highly creative PSAs. At present, production is nearing completion on another package of three television celebrity PSAs planned for release at the end of this year to generate communications momentum heading into 1981. Filming has been accomplished on two of these—featuring Ron Carey of ABC's "Barney Miller" and Steve Kanalie of CBS's "Dallas"—and work is under way on a third PSA that will bring two new celebrity faces to television screens across the nation.

Those new personalities are Sgt. Braxton and Zing, who will appear in their first animated color television PSA.

Members of the ALTA Public Relations Committee include Chairman James W. Robinson, Vice Chairman LeNore Plotkin, H. Randolph Farmer, J. M. Kramer, Francis E. O'Connor, Edward S. Schmidt, Bill Thurman and Thomas J. Watson Jr.

In the top photo, a house "haunted" by land title problems described by "ghosts" is the setting for this ALTA 60-second television public service minidrama. One includes deed reservation of the right to lay railroad track through the residence. In the bottom photo, the eyes of the woman in the picture move to emphasize the eerie nature of the haunted house. The picture represents a deceased former owner who forged her husband's signature on the deed when she sold the property.

An Assessment Of

by John S. Williamson

To many title examiners and title attorneys, bankruptcy seems to be an esoteric branch of the law, shrouded in mystery and best left to experts and specialists. Many title examiners, especially those in non-metropolitan areas, are not sufficiently experienced with bankruptcy to feel confident in applying bankruptcy law to determine the marketability of titles.

Many questions of bankruptcy law as it affects title to land either have been unresolved by the courts, or the subject of conflicting decisions between the federal circuits.

Perhaps most significant of all is the fact that the primary purpose of bankruptcy proceedings is not to settle or make certain title to lands, but rather to resolve the rights and duties of the bankrupt vis-a-vis his creditors. This is well illustrated by the great difficulty in re-opening a closed bankruptcy to perfect title to land unless new assets are thereby made available to creditors.

Unlike proceedings in state courts, a bankruptcy may be pending in another state, possibly thousands of miles away, with the result that the examiner has no opportunity to personally examine the court file.

Mr. Williamson is vice president and senior title counsel, northwest region, Pioneer National Title Insurance Co., Seattle, Wash.

Now, in addition to these considerations, the examiner is confronted with another hurdle. He must also consider the effects of a comprehensive overhaul of bankruptcy law as set forth in the Bankruptcy Reform Act of 1978, generally referred to as the "new bankruptcy code."

Under the new law, as well as the former law, a bankruptcy in the chain of title raises the practical question of whether title is to be made through the bankrupt owner, free of the bankruptcy proceedings, or through the bankruptcy proceedings free of the interest of the bankrupt. If the former is the case, the mere entry of an order in the bankruptcy such as an order of abandonment or approval of a claimed exemption is usually sufficient to remove the bankruptcy as a defect in the chain of title, and the regularity of the bankruptcy proceedings are ordinarily of no great concern to the examiner. However, if title is to be made through the bankruptcy, such as a sale by the trustee, it is necessary for the examiner to determine that the court has jurisdiction over the property and that the proceedings are regular and in accordance with law.

Myriad Changes

The new bankruptcy code, which became effective Oct. 1, 1979, contains many fundamental changes in the law as it existed under the previous bankruptcy law. Some of the changes, though important,

The New Bankruptcy Code

"There are a few significant changes with which the title examiner or title attorney must be familiar and which will present new problems which must be solved in determining marketability or insurability of the title."

appear to be of no particular significance to the title examiner. In fact, considering the number of significant changes it is surprising that the changes in underwriting requirements and standards required by the new code will be relatively few.

Some of the changes of particular interest are: The "bankrupt" under the new code is now known as a "debtor" and instead of "ajudication as a bankrupt" there will be an "order for relief." There are no referees or receivers under the new code and courts of bankruptcy are now adjuncts of the U.S. District Courts with jurisdiction over bankruptcy cases with all the powers of a court of equity, law and admiralty.

The former acts of bankruptcy have been discarded. Corporations and partnerships can no longer obtain discharges from their debts and there is no automatic vesting of title in the trustee. A small business may qualify as a debtor under a Chapter 13 case and there will be a five-year experiment with the United States Trustee Program. The *ipso facto* clauses commonly included in contracts and leases to provide for cancellation in event the purchaser or lessee goes into bankruptcy are generally unenforcible against the trustee and the distinction between summary proceedings within the jurisdiction of the bankruptcy court and plenary proceedings not within such jurisdiction has largely been abolished. There are special statutes applying to stock and commodity brokers, railroads and municipal corporations, and Chapter 11, Reorganization, now includes the relief formerly provided by Chapter X, Corporate Reorganizations, and Chapter XI and Chapter XII, Arrangements.

Changes of Concern to Examiners

There are a few significant changes with which the title examiner or title attorney must be familiar and which will present new problems which must be solved in determining marketability or insurability of the title.

With some very minor exceptions, it is clear that the new code applies only to bankruptcy proceeding where the petition was filed on, or after, Oct. 1, 1979. Since under the new code the bankruptcy court may have its own clerk, records and dockets, it is important that any search since Oct. 1, 1979 include an examination of the records of the bankruptcy court as well as the records of the clerk of the U.S. District Court. The records of the bankruptcy court may or may not be in the same location as the records of the U.S. District Court and could well be located in a building other than the federal courthouse. It is important that the search cover both locations.

One of the most significant features of the new code is that it allows the debtor or trustee to proceed with the administration of the estate without an order of the court authorizing his actions providing there has been "notice and hearing" to all interested parties. The phrase "after notice and hearing" as used in the code means such notice as is appropriate under the circumstances and which gives interested parties an opportunity to request a hearing.

The theory in the new code is that if interested parties received the proper notice but do not request a hearing the debtor or trustee can proceed with the proposed action. This presents a difficult problem to the title examiner since the new code contains no definition of what constitutes adequate notice, nor does it specify any period of time in which the interested party must request a hearing. These matters apparently are to be left to the bankruptcy rules under the code which have not yet been adopted.

Under the prior law, the examiner had the benefit of a formal order of the court authorizing the proposed action by the trustee which would result in a marketable or insurable title if the proceedings were regular and proper and no interested party had petitioned for review or appealed from the order of the court.

Now, under the new code, the examiner must decide whether the proposed action of the debtor or trustee without a court order will result in an insurable or marketable title. A court order under the code may not be easy to obtain unless the securing of a title policy or title opinion is of sufficient value or advantage to the trustee to justify the additional time and trouble required for a formal proceeding in the bankruptcy court.

Exemptions

Title examiners are certain to be faced with some difficult problems in connection with exemptions. Under the former act, the bankrupt usually scheduled his home and claimed it exempt as a homestead. Upon inclusion of the homestead in the trustee's report of exempt property, as approved by order of the court, the land could be considered exempt from administration in the bankruptcy as if no bankruptcy had occurred and the marketability of the title was easily determined.

However, under the new code, the real property exemption—which can be either that which is allowed by state law or, if the debtor prefers, a $7,500 exemption in a residence or burial plot—must be claimed by the debtor and is allowed unless there is some objection by an interested party.

This presents the title examiner with a difficult question as to when the title becomes marketable. Perhaps a reasonable solution would be for the examiner to consider the exemption as approved as soon as it is claimed if there is apparently a valid homestead under state law and if there appears no possible ground upon which a creditor could object to the proposed exemption.

However, if it appears that there may be excess value, excess area, bad faith, or any other factor upon which a creditor could object, then an order of the court upon notice to all interested parties must be entered approving the exemption before the title could be considered marketable.

This problem has been solved by a local rule adopted in some districts where the claimed exemption must be challenged by a creditor within a certain time, for example within 15 days after the notice of first meeting of creditors, otherwise it cannot be challenged.

"Now, under the new code, the examiner must decide whether the proposed action of the debtor or trustee without a court order will result in an insurable or marketable title."

Possibly the most difficult problems the title examiner will face will be in connection with requests for insurance of sales by a debtor or a trustee, free of liens and encumbrances.

Under the former act, such a sale could ordinarily be insured if there were either stipulations by the secured creditors for a sale free of liens or a formal order of the court, after an order to show cause to all interested parties, who had an opportunity to appear at the hearing and object to the proposed sale. Ordinarily such proceedings would result in an insurable title.

Under the new code, in order to make a sale free of liens and encumbrances "notice and hearing" must be given to all interested parties and, if no objection is received, the proposed sale or lease can be made without the requirement of a hearing or a confirming court order.

Here, the examiner or attorney is confronted with a difficult decision as to whether the title thus made is marketable and insurable. If the sale is pursuant to an approved plan in a Chapter 11 Reorganization, or if the encumbrances to be barred are dischargeable by the payment of money and the proposed transaction will clearly produce sufficient funds to discharge all claims of secured creditors in full, there would seem to be no grounds upon which a secured creditor could object to the proposed transaction.

On the other hand, due process questions are involved and a sale free of liens by the debtor or trustee without a court order confirming the transaction will probably result in an unmarketable title unless it is clear that no interested party has any reason to question the sale. Until there is clarifying litigation, most prudent title attorneys and title insurers will probably require notice to all encumbrancers plus a final order of the court confirming the proposed sale. It is anticipated that the forthcoming rules will not resolve this question since the rules will probably not affect any substantive rights.

In several places the new code allows a debtor or trustee to sell or lease property in the ordinary course of business without "notice and hearing" to interested parties. Whether a proposed sale or lease is in the ordinary course of the debtor's business is a factual question, subject to differences of opinion and dependent upon matters outside the record. In many cases, the question of whether a sale is in the ordinary course of business will be a very difficult question for the title examiner to resolve.

Joint Ownership

The new code contains significant provisions in connection with property in which the debtor has a joint ownership. In community property states, it is now clear that all of the community property which is under either the sole control of the debtor or subject to the equal management and control of the debtor and his spouse, or liable for a debt of the debtor, becomes property of the bankruptcy estate and administered therein. It is also clear that a husband and wife can join

"Possibly the most difficult problems the title examiner will face will be in connection with requests for insurance of sales by a debtor or a trustee, free of liens and encumbrances."

in a single petition. The debtor's interest in a joint tenancy becomes a part of the estate, thereby severing the joint tenancy. Under certain conditions, the debtor's interest in an estate by the entirety may be administered upon by the trustee.

This represents a change from the former bankruptcy law where the authority of the trustee to administer upon the bankrupt's interest in a tenancy by the entirety was limited to certain states. Alaska, Arkansas, New Jersey, New York and Oregon were the only states in which the creditor could levy upon the debtor's interest, subject to the other spouse's right of survivorship. Property of the debtor may be sold by the trustee free of any dower or curtesy interest of the non-debtor spouse.

A very significant change under the new code allows the trustee to sell the entire ownership of a property in which the debtor is only a tenant in common if certain conditions are met. If the debtor owns an undivided interest in a parcel of land as a tenant in common, the trustee may sell the entire property free of the interests of the co-owners, even though they are not debtors in bankruptcy. Such a sale requires that partition be impracticable, that the sale of the undivided interest of the debtor would be of significantly less benefit to the estate than the sale of the property free of the interest of the co-owners and the benefit to the estate free of the interest of the co-owners outweighs the detriment to the co-owners.

Here, again, we have judgment questions which will give the title examiner difficulty in many cases. Since the interests of all co-owners may be subject to administration by a trustee of only one co-owner, a title search of a single undivided interest will require a search of the records against the names of all co-owners to determine the existence of any pending bankruptcy just as is now required a search for internal revenue tax liens against the names of all co-owners. The situation may be encountered frequently in connection with time-sharing condominiums where tenancies in common are routinely used.

Pre-Petition Conveyances

Under both the new and old bankruptcy laws, the trustee may avoid pre-petition conveyances or obligations if they constitute preferences or fraudulent conveyances as defined by the act or code. Under the old law, a preference could be set aside if made within 120 days of the petition. Under the new code, the period has been shortened to 90 days, or one year if the transferee is an "insider" such as a relative, partner, or certain other persons having a business connection with the debtor. Under the new code, the insolvency of the debtor is presumed during the 90-day period whereas under the old act, insolvency had to be proved by the trustee.

The title examiner is therefore presented with a question as to insurability when called upon to insure a transferee who is a creditor of record. This will occur most frequently where a deed in lieu of foreclosure has been given to the mortgagee.

If a petition in bankruptcy either voluntary or involuntary has been filed, the title of the transferee is obviously unmarketable unless it can be clearly shown that one of the conditions for avoidance of the preference is not present, usually by showing that there was no equity in the property over and above the balance due on the mortgage and that the debt has been discharged. While a *bona fide* purchaser from the transferee prior to the petition will cut off the right of the trustee to avoid the transaction, great care should be used in insuring such purchaser unless he took for value in good faith and without knowledge of the bankruptcy proceedings.

Judgment Liens

Under both the old act and the new code, a discharge voids the personal liability of the bankrupt as to any judgments which are dischargeable and which have been properly scheduled, and enjoins all creditors from attempting to collect discharged debts out of any property acquired after bankruptcy. In addition, the new code provides that the debtor may avoid the fixing of a judgment lien upon his property to the extent that such lien impairs an exemption to which the debtor is entitled as to property which the debtor may exempt from property of the bankruptcy estate.

This may have the unintended result that although the exemption, such as a homestead, may have been no protection under state law as to a judgment by reasons of not having been timely filed, it nonetheless may allow the debtor to avoid the judgment by virtue of the specific provision of the code. In other words, the code apparently says that if the property is exempt from property of the bankruptcy estate then it is not subject to a lien under state law.

Obviously great care should be used in interpretation of this provision of the code (Sec. 522(f)) and it would appear to be hazardous to insure against a judgment lien unless the property is clearly exempt from execution under state law or at least until this section is clarified by litigation.

In an involuntary proceeding, the code provides that until an order for relief has been entered the business of the debtor may continue to operate and the debtor may continue to dispose of his property as if an involuntary case had not been commenced.

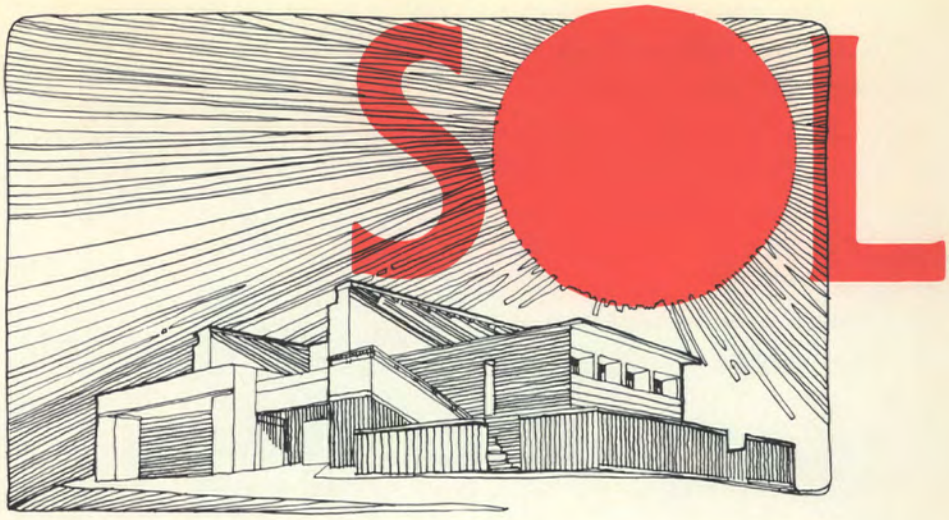
A difficult question arises as to whether this provision is limited to business property, and if so, does the disposition have to be in the regular course of business. For example, if an involuntary petition were filed against a builder and no order of relief had been entered, could the builder dispose of non-business property without notice and hearing to the petitioners and other interested parties? It seems clear that he could sell houses which he had built for sale, but could he sell a tract of land on which he had intended to build houses but which is still unimproved?

"The new code contains significant provisions in connection with property in which the debtor has a joint ownership."

Since the code provides that the estate is comprised of all legal and equitable interests of the debtor in property as of the commencement of the case it would seem hazardous to insure any sale of property by the debtor in an involuntary case prior to an entry of an order for relief unless the sale is clearly in the ordinary course of business.

As experience is acquired under the new code some of these problems may be resolved by custom and usage of the bankruptcy courts and by the forthcoming rules.

Until then, we can expect that most examiners and title attorneys will take a conservative position in applying the code to title questions, though such a position will probably not be popular with trustees, judges, or attorneys engaged in bankruptcy practice.



Editor's note: Late last year, Sen. Gary Hart (D-Colo.) introduced S. 2054, The Solar Access Alternatives Act which proposes the establishment of solar access review programs in interested states through the assistance of the U.S. Department of Energy (DOE). The review programs in each state would identify legal alternatives to assure access to direct sunlight for solar energy as well as methods of encouraging the adoption of identified legal alternatives. The bill also stipulates that the federal government must comply with state and local solar access laws with respect to federal buildings and structures it constructs or maintains in a particular locale.

In introducing the bill, Sen. Hart said, "With the emergence of solar energy as an important and increasingly reliable alternative to gas, oil and coal for heating buildings, questions regarding legal access to the sun cry out to be resolved. If they are not, the prospect of legal tangles over denied access is likely to frighten both developers and homeowners away from solar heating and cooling."

Under the Act, a state's solar access review program would identify existing and potential legal and institutional barriers to solar energy use within the state; recommend changes in pertinent laws, ordinances, codes and regulations; contain model provisions for solar access to be used in new subdivisions or developments, and provide for a review of state and local efforts to consider solar energy use in land use planning as well as a review of the relationship between solar access barriers and urban growth. Another aspect of the programs would be coordination of workshops for state and local officials on building codes, zoning ordinances and other legal mechanisms which affect solar access.

The act defines a clear role for DOE regional solar energy centers in implementing state review programs. These centers, which exist in 10 locations nationwide, would act as clearinghouses of solar access information for public authorities within that region. They would be responsible for encouraging use of current information and technology regarding solar access alternatives and for compiling and releasing solar access information received from DOE.

In turn, DOE would be responsible for disseminating data, research and model provisions on solar access alternatives to the state participants' solar energy centers and would provide a quarterly report to them evaluating their progress in the program.

The Solar Access Alternatives Act was referred to the Senate Committee on Energy and Natural Resources. Hearings have not yet been scheduled.

AR ACCESS

An Interview With Sen. Gary Hart

Title News: Most of the discussion on solar energy has been from a technological viewpoint with relatively little attention directed to solar access and the legal uncertainties tied to the growing use of this alternative source of energy. With this in mind, what brought this issue to your attention?

Sen. Hart: I agree that too little attention has been paid to the legal uncertainties which threaten to undermine our entire solar program.

My interest in solar access really followed from the realization that the very survival of solar energy as an alternative energy resource ultimately depends upon guaranteed access to the sun's rays. Any technological progress we might make will be meaningless if we can't develop legal mechanisms to ensure that sunshine will be freely available to anyone who chooses to use it. Few people will invest in solar equipment, no matter how sophisticated or efficient, if they fear their access to direct sunlight might someday be blocked.

Currently, legal rights to the sun vary from state to state and are, for the most part, undefined and unclear. In most cases, the solar user's right to direct sunlight exists only by the grace of his or her surrounding neighbors. A homeowner who suddenly finds his solar collector shaded by some neighboring structure may well have no legal redress. That's why I see the need to encourage states and localities to develop legal mechanisms which can protect access to sunlight.

Title News: Have you had indications, either from constituents or elsewhere, that people are reluctant to install solar equipment or build solar homes without legal assurance of access to sunlight?

Sen. Hart: Common logic predicts that developers and homeowners will be less likely to consider solar alternatives in the absence of legal assurances to solar access. Indeed, this prediction has been borne out by our experience.

Still, we have seen a dramatic increase in solar applications all across the nation. My guess is that most of these people simply didn't realize just how few states and localities legally protect access to sunlight. But these folks are worried now and they are looking to state and local governments to provide access rights.

It is precisely because so many people have made substantial investments in solar energy that we must encourage the development of a program to ensure that they won't be disappointed.

Title News: Would the regional solar energy centers to which the bill makes reference be federally funded?

Sen. Hart: The regional solar energy centers already exist and are federally funded. No additional funds would be provided by my bill.

Title News: The bill stipulates that the secretary of energy will work with interested states. What percentage of the states do you suppose would be initially interested enough to designate an administrative unit to work with the secretary in conducting solar access reviews? Assuming a lack of interest on the part of some states, what incentives could the federal government use to encourage them?

Sen. Hart: Many states have already seen the need to address this problem. In fact, a few states have actually developed legislation while others have initiated planning studies. The real problem is that for one reason or another some of these planning studies have had to be abandoned. This is where the federal government can help. My legislation is designed to provide technical assistance and information to any state which desires to study the various legal options for providing solar rights.

I believe the vast majority of states will naturally become interested in our program as state leaders begin to feel increasing public pressure to develop solar access laws.

Title News: Experts who have researched the specific question of solar access from a legal standpoint—notably researchers from the American Bar Foundation and the Environmental Law Institute—firmly favor locally reached solutions to the problem. Researchers at the U.S. Department of Housing and Urban Development concur. Would some aspects of legislation such as S. 2054 potentially be viewed by states and local governments as a federal intrusion into a domain widely held to be a local matter?

Sen. Hart: I couldn't agree more that legislative prerogatives in this area ought to remain with state and local governments. That's where they have been traditionally and that's where they should stay.

The appropriate federal role in this issue is a very limited one. The federal government should do no more than encourage local bodies to explore alternative solutions and then give them assistance *if they want it*. This is exactly the approach taken by my legislation—participation by the states is entirely voluntary.

Title News: Some states have taken the initiative on the solar access question and passed legislation which takes various approaches. The single most common approach is provision for the conveyance and recordation of solar easements. Do you think that the state laws that exist adequately address the problem?

Sen. Gary Hart

Sen. Hart: Yes, I think these state laws can be adequate if they are written carefully and with an eye to particular local and regional needs. However, I do not believe that any given state law is appropriate for *all* states or localities, and this is why I have encouraged a series of local-level solutions rather than a comprehensive federal approach.

Title News: Is it realistic to expect S. 2054 to pass or is it your aim to use this bill as a vehicle to generate a growing political discussion eventually leading to legislation which will solve the problem?

Sen. Hart: I intend to work to get S. 2054 passed. The legislation should not be too controversial, and it is my feeling that with a little prodding and a little public attention, we can move it through the legislative process and get it passed in the near future.

Whether it passes or not, however, I hope it will help focus attention on and generate discussion about the solar access issue.

Title News: In what ways do you think the passage of S. 2054 would affect the title insurance industry?

Sen. Hart: Whether S. 2054 is passed or not, the title insurance industry will likely be called upon to play an active role in both studying and deciding on appropriate legal mechanisms for assuring access to the sun's rays. The specialized knowledge of those in the industry will be highly valued in this process.

States and localities have a variety of options available to protect access—building codes, covenants, zoning, or easements, to mention but a few—and each of these options will have its own implications for members of the title insurance industry. Those in the industry will have to work with solar access laws so they should play a major role in writing them.

I agree with the statement that Marvin C. Bowling Jr. made in the October 1979 issue of *Title News*: "It seems obvious that title people should not only be aware of these new developments but ought to begin now to help legislators and others to draft proper laws and instruments which would facilitate the maximum use of solar energy. This is a unique way for the title industry to be a part of our country's energy program."

Zoning Regs and Solar Energy Clash

A dispute involving the installation of rooftop solar collectors which exceeded town zoning ordinance height restrictions was decided recently in favor of the homeowner. *Katz. v. Bodkin*, tried in the New York State Supreme Court of Westchester County, was one of the first cases in the nation arising on solar energy use and zoning conflicts. It is regarded as a fairly landmark case in that a zoning law which did not specifically provide for solar collectors was judged inapplicable, in large part because solar energy use should be encouraged, the court believed, as a matter of public policy.

The *Katz v. Bodkin* dispute, between a Mamaroneck, N.Y., homeowner and members of the Mamaroneck zoning board of appeals, began when Arthur Katz applied for a building permit to install rooftop solar collecting panels for a solar supplied domestic hot water system. The permit request was denied by the town building inspector because the town's height restriction ordinance for single family residential units would be violated if the panels were installed.

The ordinance stipulates a height limitation which can be exceeded by "spires, cupola domes, chimneys, ventilators, skylights, water-tanks, bulkheads, and necessary mechanical or amateur electronical devices and appurtenances usually carried above roof level." The ordinance further states that these appurtenances cannot cover more than 10 percent of the area of the roof on which an appurtenance is located. Deemed by the building inspector to be mechanical devices, the collectors were not allowed because they covered more than 10 percent of the partitions on Katz' roof.

Katz then applied for a variance to the ordinance, reasoning that a variance would allow him to conserve energy. The variance was denied by the town zoning board of appeals on the grounds of insufficient evidence from the applicant that the collectors could not be located elsewhere as well as evidence that he could not conserve energy by another means; that the collectors would not be aesthetically in keeping with the residential neighborhood, and that denying the variance would not deprive the petitioning homeowner of reasonable use of his land.

Katz, who believed this decision was reached in a closed executive meeting of the board and noted the fact that 26 of his neighbors knew of his plans to install solar panels yet none had objected, brought the dispute to court. He sought a reversal of the zoning board's decision on the variance.

The New York Supreme Court in Westchester County heard the case on March 29, 1979. Judge Harold H. Wood held that the zoning board erred in denying the variance and directed the zoning board to issue the building permit sought by the petitioning homeowner Katz.

The court so ruled for a number of reasons. For one, it held that the section of the zoning ordinance referred to by the zoning board and the building inspector did not apply to the petitioner's proposed installation because a solar collector is not among the items mentioned in the ordinance "nor does it fall within the ordinance prohibition against necessary mechanical devices and appurtenances." If the section did apply, the court added, the language in the ordinance concerning the 10 percent rooftop area limitation for tall appurtenances was unclear as to what designates an area. Katz had eight partitions on his roof, which was so divided for design purposes.

Again on the subject of zoning ordinances, the court held that in general, zoning ordinances are to be construed in favor of landowners since they are in derogation of common-law property rights. It cited *Matter of Sibarco Stations, Inc., v. Town Board of Vestal* (29 AD 2d 907 (1)) as authority.

The court further held that "the petitioners have shown practical difficulty sufficient to justify an area variance," the

Sixteen States Move to Assure Solar Access

Sixteen states are considering solar access legislation during the current terms of their assemblies. The most popular solar access provision among the proposals is the solar easement. A large majority of the bills—18 out of 27—establish solar easements and provide for their conveyance and recordation.

A number of other bills require or allow localities to consider solar access in land use planning and several prohibit zoning ordinances which restrict the use of solar collectors. A unique law proposed in the Maryland legislature provides for solar access through beneficial use and prior appropriation.

Figure 1 describes in brief all bills on solar access currently before state assemblies.

Zoning Clash—*(from page 16)*
criteria for which it said was established in *Wachsberger v. Michalis* (19 Misc. 2d. 909).

The court's next reason for its decision concerned the public interest in encouraging solar energy use. It said, "Of even greater import, in this day of what for better expression may be termed the energy crunch, the purposes of restrictive zoning must, to some extent, give way to declared policy of governments to conserve energy in all ways possible yet consistent with environmental standards." The court then quoted as evidence of the national interest in encouraging solar energy use the Department of Energy Organization Act of 1977 (12 USC 7111 (2), the Solar Energy Research, Development and Demonstration Act of 1974 (42 USC, Section 5511 (a) (7) 1977, and the Solar Heating and Cooling Demonstration Act of 1974 (42 USC 5501).

Lastly, the court held that closed session determinations by the zoning board are violative of statutory law, particularly the Open Meeting Law (Pub. Off. Law Article 7).

Katz v. Bodkin received considerable attention from the media. Aside from being followed by Westchester County area papers, the case was reported by the *New York Times* shortly after the decision last year and mentioned again in an editorial during May 1980. The *Solar Law Reporter*, a publication of the Solar Energy Research Institute, Golden, Colo., reported on the case in its January-February 1980 issue. The *Solar Law Reporter* said "*Katz v. Bodkin* is apparently the first case to hold that a local zoning ordinance must give way to installation of a solar energy system."

Figure 1

PENDING STATE LEGISLATION ON SOLAR ACCESS

STATE	BILL NUMBER	PURPOSE OF LEGISLATION
Alaska	HB 476	creates solar easements
Connecticut	HB 5055	creates solar easements
Delaware	SB 217	creates solar easements
Hawaii	HB 375	solar heating & cooling in state buildings
	HB 666	declares solar access a property right
Indiana	HB 1197	creates solar easements
Iowa	HF 234	creates solar easements
	SF 344	creates solar easements and prohibits solar restrictive zoning
Maryland	HB 230	prohibits solar restrictive zoning
	HB 503	provides for solar access through beneficial use and prior appropriation; allows localities to limit solar rights
Massachusetts	HB 4083	creates solar easements
	HB 4127	creates solar easements
New York	A 9 and S 9 of Chapter 742 NY Laws	provides for solar access in zoning regulations required of municipal law
	A 7038	creates solar easements
	S 406	solar easements and sale of solar access rights provided
Ohio	HB 100	creates solar easements
Pennsylvania	HB 123	creates solar easements
	HB 785	requires localities to encourage solar use via land use planning; prohibits solar restrictive zoning covenants
	S 313	creates solar easements
Rhode Island	HR 5190	creates solar easements
South Carolina	HB 2224	all state and municipal buildings constructed after Jan. 1, 1980 to accommodate solar heating systems
	HB 3333	creates solar easements
Vermont	HB 682	land use and development laws amended to require consideration of renewable resources in planning
	S 63	creates solar easements
West Virginia	HB 931	creates solar easements
Wisconsin	AB 1045	requires municipalities to establish solar access permits by Jan. 1, 1980 and requires recordation, mapping and filing of permits; authorizes localities to enact ordinances for trimming vegetation which shade solar collectors; authorizes consideration of solar access in land use planning; establishes solar easements

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THE TITLE READER

THE PROFESSIONAL GUIDE TO REAL ESTATE CLOSING

By Arthur N. Nystrom, Raymond W. Lansford and John E. Cogswell, 174 pages, $16.95 (softcover), 2nd Edition, Published by the Real Estate Education Co., Chicago, Ill.

This primer on completing closing transactions and statements includes step-by-step instructions for completing the RESPA closing form and calculating prorations, as well as samples of and instructions for completing all the forms associated with a real estate closing. The book also features a financial work sheet which serves as a master statement for the entire transaction, a closing checklist to ensure completion of all details and examples of actual closings involving cash sales, conventional loans, loan assumptions and guaranteed loans.

Specific information on titles, releases of liens, mortgages and other important factors affecting the closing, as well as their appropriate forms, are included within the text as the subjects arise.

REAL ESTATE CLOSINGS

By Raymond J. Werner, 290 pages, $30 (hardcover), published by the Practicing Law Institute, New York, N.Y.

This practical survey of all aspects of the lawyer's role in the closing and post-closing process is intended as both a primer for the attorney with relatively little experience and as a refresher and checklist for the more experienced real estate practitioner.

SALE-LEASEBACKS: Economics, Tax Aspects and Lease Terms

Edited by Lewis R. Kaster, 460 pages plus a 148-page appendix, $35, published by the Practicing Law Institute, New York, N.Y.

An edited transcript of PLI seminars offered in the spring of 1978 and revised by the contributors through the spring of 1979, this book focuses on the economic, drafting and tax aspects of the sale and lease-back of real property. It examines important issues that buyers and sellers must face including the development of accounting rules and the differences between east and west coast perspectives on the lease.

ESSENTIALS OF REAL ESTATE FINANCE

By David Sirota, Ph.D., 400 pages, $19.95 (softcover), published by Real Estate Education Co., Chicago, Ill.

This easy-to-read, but comprehensive, book covers the sources, instruments and techniques of real estate financing. It contains a full complement of charts and each chapter concludes with exercises and discussion topics for the student of finance, making it an excellent education and training tool.

Research Dept. Releases Title Industry Data

1979 ALTA Research Department figures indicate that the title insurance industry experienced both a continued erosion of profits and a substantial increase in overall operating revenue during 1979.

Operating revenue of the industry reached a record high of $1,335,081,572 during 1979, which is a 10.8 percent increase from the previous year. However, 1979 operating expense consumed 90 percent of this total and loss-loss adjustment consumed nearly another 6 percent. These brought total 1979 expenses almost 12 percent above those of 1978, according to the ALTA Research Department. The year's industry pre-tax operating profit margin of 4 percent contrasts with a 12-year profit average of 9.2 percent through 1979.

The industry return on capital during 1979, brought a more positive report. Richard W. McCarthy, ALTA director of research, indicated that the industry return on total capital is a more valid indicator of economic performance for title insurers. The after-tax rate of return for the industry during 1979 was slightly over 6 percent, which contrasts with an average rate of 5.6 percent for the seven years ending in 1979.

Title insurance industry outlooks for 1980 are confirmed as poor by this year's first quarter total operating income figures, also recently released by the research department. First quarter total operating income for the nation's title insurers was nearly $249 million in 1980, a drop of 7.4 percent or almost $20 million from the same period last year, according to the report. At the same time, expenses rose by two percent above the first quarter of 1979. Together these figures indicate that the industry lost nearly $31 million on operations during the first quarter of 1980.

Due to spreading effects of the recession and high mortgage interest rates, indications are that a larger decrease in title industry income will result in the second quarter.

Inflation Sticks

Some economists predict that with the current slowdown in the economy, prices will moderate. But the catch is that they will not decline to where they were before the current surge of inflation began.

Names In The News . . .

Paul Moran

Alvin Robin

Paul Moran was promoted to manager of New Mexico operations for Transamerica Title Insurance Co. (Trans). He is headquartered in Albuquerque. With Trans since 1973, Moran formerly was area manager of company operations in central Maricopa County which is in the Phoenix, Ariz., area.

Two others at Trans were promoted to managerial positions. **Kathleen Miller** is now manager of the company's Safford, Ariz., branch office and **George W. Gann** is manager of the Phoenix downtown escrow branch office. Prior to their promotions, Miller was senior officer at the Safford branch and Gann was administrative assistant at the Phoenix escrow office.

ALTA Past President **Alvin R. Robin**, of Tampa, Fla., joined Lawyers Title Insurance Corp. as a management consultant. Robin formerly was chairman of the boards of Guaranty Title Co., Tampa, and Florida Southern Abstract & Title Co., with offices in Winter Haven, Lakeland and Lake Wales. Both companies recently were acquired by the Continental Group, Inc. and converted to Lawyers Title's branch offices.

Robin's experience in the title industry dates back to 1946. He is a past president of the Florida Land Title Association and currently is a member of the Home Builders Association of Tampa and the Mortgage Bankers Association of Florida.

Other news at Lawyers Title is the election of two branch managers and two assistant branch managers.

Glen Graff was elected manager of the Winter Haven, Fla., office. He was president of Florida Southern Abstract & Title Co. for the last 10 years. Recently the company became the Lawyers Title Winter Haven branch office. A 25-year veteran of the title industry, Graff is a past president of the Florida Land Title Association and now serves on its board of governors.

C.J. Bryan was elected branch manager of Lawyers Title's Tampa, Fla., branch office, the former office of Guaranty Title Company of Tampa. Bryan was president of Guaranty Title until it was acquired this April. He is a titleman of 28 years experience and currently is a member of the West Coast of Florida Mortgage Bankers Association.

Edward C. Spalding Jr. and **Herbert C. Clayton Jr.** were elected assistant branch managers of the Ft. Lauderdale, Fla. and West Palm Beach, Fla. offices, respectively. Spalding has been with Lawyers Title since 1975 and Claytor joined the company in 1976.

SAFECO Title Insurance Co. announced the appointment of **Dennis R. Duffy** as vice president and manager of a newly created SAFECO division which handles interstate commercial and industrial business. Known as National Marketing 800, the new division includes a central order-processing facility in Los Angeles with sales offices and toll-free telephone lines in five cities.

Dennis Duffy

Robert Trudel

Duffy is a title specialist with 18 years of experience. Before joining SAFECO last August, he was national marketing director for TICOR Title Insurers.

Other officers appointed to SAFECO's National Marketing 800 division include **Dale A.J. Eleniak,** associate counsel, as vice president and manager of the central service office, and five vice presidents who manage the sales offices in five cities. They are **C. Everett Royal Jr.**, Atlanta; **Gary W. Gentry**, Dallas; **Parry O'Brien Jr.** assisted by **Harold L. Martin**, Los Angeles; **Roger W. Quan**, San Francisco, and **John O'Rourke**, Seattle.

Robert P. Trudel, of Fairfield, Conn., was promoted to vice president and Con-

necticut state sales manager for First American Title Insurance Co. He previously was branch manager of the Stamford, Conn., office.

Succeeding Trudel as branch manager in Stamford is **Peter J. Bryne** of Greenwich, Conn. Bryne also was named assistant vice president.

Carole Bangs

John Oliver

Carole Bangs was promoted to vice president and general manager of Security Title & Trust Company of Alaska. She formerly was assistant vice president and head of the marketing department, having joined the company three years ago. Bangs is president of the Anchorage Association of Professional Mortgage Women.

Pioneer National Title Insurance Co. (PNTI) announced the appointment of **G. Elwood Steckler** as assistant vice president and manager of Marion County, Ind., operations. Steckler oversees the administration and coordination of PNTI title and escrow activities in offices throughout Marion County which includes Indianapolis. A 20-year veteran of the title industry, Steckler most recently was manager of PNTI's Porter County operation.

David J. Wilcox, a PNTI assistant vice president, was appointed area manager of the company's operations in Porter and La Porte counties in Illinois. In addition, Wilcox continues as manager of PNTI's Lake County operation.

John H. Oliver joined Commonwealth Land Title Insurance Co. as a vice president in Commonwealth's Milwaukee, Wis., office. Oliver is a 15-year veteran of the title insurance industry.

Oklahoma Elects Cox President

Members of the Oklahoma Land Title Association gathered for the 75th Annual Convention of the association during which they elected officers for the new term and honored eight former titlemen.

Harold G. Cox of American-First Abstract Co. in Norman, Okla., was elected association president. Other elected officers were Kenneth D. Mitchell of Jelsma Abstract Co., Guthrie, as president-elect; Bill Humphrey of Guaranty Abstract Co., Enid, as vice president; Toney D. Foster of Rogers County Abstract Co., Claremore, as treasurer, and William H. Langley Jr. of Eastside Abstract Co., Stilwell, as secretary.

Featured speakers at the Oklahoma meeting were ALTA President Robert C. Bates who addressed the topic, "What ALTA Means to the Title Industry of Oklahoma," and Floriene Messas of the Phillips Petroleum Co. who discussed the national energy situation.

Honored Oklahoma titlemen were Earl Adams, Henry Arnall Jr., Jesse Berry, R. Joe Cantrell, W. O. Cooper Jr., Richard Godfrey, J. Herb Loyd and V. Hubert Smith.

Habits To Keep

"Form good habits. They are as hard to break as bad ones."—William Feather, Cleveland printer and philosopher

Stanley Instrumental In Amending S.C. Insurance Law

A South Carolina law which limited the amount of risk a title company could insure was amended last month by an act signed into law by Governor Richard W. Riley and authored by titleman Chip Stanley, manager of Lawyers Title Insurance Corp., Columbia, S. C.

The new law changes the risk limit to which a title company can expose itself from 10 percent of surplus value to policy holders to 50 percent of the aggregate amount of total capital, surplus and reserves other than loss or claim reserves.

Stanley nurtured the passage of this bill and wrote the draft bill as introduced before the Insurance Subcommittee of the South Carolina House of Representatives' Labor, Commerce and Industry Committee.

The process began in 1978 when a number of South Carolina titlemen became concerned about a section in the state code which imposed the 10 percent limit on all kinds of insurance.

Stanley said, "It was obvious that the law in force had been drawn without contemplation of the needs of the title insurance industry." As title insurance grew in South Carolina—as it continues to do at a rapid pace, especially in the commercial and industrial sector—the law adversely affected the title companies' abilities to answer the needs of clients, Stanley explained. He added, "The amount that could be insured was unrealistic compared to the market and also was not relevant to the ability of the insuring company to pay a claim." Common results of this problem were delayed issuance of policies and the need for reinsurance on larger transactions.

The passage of this bill through both chambers of the South Carolina legislature and its signing May 6 by Governor Riley represents the title industry's first lobby effort in the state.

Chicago Title Employee Trains for Oregon Games

A Chicago Title Insurance Co. waiver examiner, Dario Golliday, is also a record-holding track sprinter training for the Olympic-alternative games to be held in Eugene, Ore., this month. Above, Golliday is ready at the starting block in a 200-meter sprint, practicing as a member of the University of Chicago Track Club. His 20.8 seconds time for the 200-meter event qualified him to be among the 30 U.S. runners who may compete in the summer games trials. He hopes to shave another three-tenths of a second off this time to bring him up to world record levels. Golliday is the son of the late James Golliday, who was the world's fastest runner during the 1950's.

Reliable Stats

After all these years of relying on local employment figures, a federal commission reports that the figures, which are used in allocating federal funds, are of "questionable reliability."

Boss Of The Year

"Boss of the Year" was the title recently given to Michael B. Goodin, executive vice president of the Texas Land Title Association, by the Treaty Oak Chapter of the American Business Women's Association.

Goodin was honored at a late April dinner of the women's association for his leadership capability and his concern for his staff members, the community and his family. He was nominated for the honor by TLTA staff members Terri Ball and Vicki Highsaw.

Goodin was ALTA director of research and secretary from 1966 to 1974.

The Role of Title Insurance In Conveyancing

A Title Insurance Seminar

This meeting is sponsored by the American Land Title Association
In Cooperation with the Wisconsin Land Title Association
9 a.m. to 5 p.m., September 11, 1980 in the Hyatt Regency, Milwaukee, Wis.

Topics and Speakers:

Title Insurance Coverage— *Marvin C. Bowling, Jr.*
Senior Vice President and General Counsel
Lawyers Title Insurance Corp.
Richmond, Virginia

Robert T. Haines
Vice President and General Underwriting Counsel
Chicago Title Insurance Co.
Chicago, Illinois

Use of Title Insurance by the Lender— *Joseph F. Schoendorf Jr.*
Schoendorf and Sorgi
General Counsel
Security Savings and Loan Association of Wisconsin
Milwaukee, Wisconsin

Use of Title Insurance by the Practicing Attorney— *Allen N. Rieselbach, Esquire*
Reinhart, Boerner, Van Deuren, Norris & Rieselbach
Milwaukee, Wisconsin

Title Claims— *Roger Williams*
Senior Vice President, Secretary and General Counsel
Pioneer National Title Insurance Co.
Los Angeles, California

Registration fee of $65 per attendee covers meeting costs, handbook and lunch.
Send names and addresses of registrants and remittance, made payable to the American Land Title Association:

American Land Title Association
Suite 705, 1828 L St., N.W.
Washington, D.C. 20036

Calendar of Meetings

June 1-3
Pennsylvania Land Title Association
Buck Hill Inn
Buck Hill Falls, Pennsylvania

June 8-10
New Jersey Land Title Insurance Association
Seaview Country Club
Absecon, New Jersey

June 13-14
South Dakota Land Title Association
Holiday Inn of the Northern Hills
Spearfish, South Dakota

June 19-21
Land Title Association of Colorado
Wildwood Inn
Snowmass Village, Colorado

June 19-21
New England Land Title Association
Wentworth-By-The-Sea
Portsmouth, New Hampshire

June 26-28
Michigan Land Title Association
Sugar Loaf Mountain Resort
Cedar, Michigan

June 26-28
Oregon Land Title Association
Sun River Lodge
Bend, Oregon

June 27-29
Illinois Land Title Association
Marriott Pavilion Hotel
St. Louis, Missouri

July 10-13
Idaho Land Title Association
Elkhorn at Sun Valley
Sun Valley, Idaho

July 11-12
Utah Land Title Association
Holiday Inn Park City
Park City, Utah

July 17-19
Wyoming Land Title Association
Laramie, Wyoming

July 31-August 6
American Bar Association
Honolulu, Hawaii

August 7-9
Montana Land Title Association
Edgewater Inn
Missoula, Montana

August 14-16
Minnesota Land Title Association
Sunwood Inn
St. Cloud, Minnesota

August 15-16
Kansas Land Title Association
Ramada Inn
Topeka, Kansas

September 6-9
Indiana Land Title Association
Sheraton West Hotel
Indianapolis, Indiana

September 7-9
Ohio Land Title Association
King's Island Inn
Cincinnati, Ohio

September 7-10
New York State Land Title Association
Kutsher's Country Club
Monticello, New York

September 11-13
North Dakota Land Title Association
Holiday Inn
Fargo, North Dakota

September 17-19
Nebraska Land Title Association
Holiday Inn-Old Mill
Omaha, Nebraska

September 17-19
Washington Land Title Association
The Alderbrook Inn
Union, Washington

September 24-27
Dixie Land Title Association
Mobile Hilton
Mobile, Alabama

September 25-26
Wisconsin Land Title Association
Playboy Club
Lake Geneva, Wisconsin

September 26-28
Missouri Land Title Association
Almeda Plaza Hotel
Kansas City, Missouri

October 14-17
American Land Title Association
Honolulu, Hawaii

October 24-26
Palmetto Land Title Association
Myrtle Beach Hilton
Myrtle Beach, South Carolina

October 26-29
Mortgage Bankers Association
San Francisco, California

October 30-31
Land Title Association of Arizona
Westward Look Resort
Tuscon, Arizona

November 5-8
Florida Land Title Association
Don Cesar Hotel
St. Petersburg Beach, Florida

November 7-13
National Association of Realtors
Anaheim, California

November 16-21
U.S. League of Savings Associations
San Francisco, California

December 3
Louisiana Land Title Association
Royal Orleans
New Orleans, Louisiana

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