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**For Immediate Release**

## **ALTA, AARP Idaho Applaud Idaho for Passage of NTRAPS Bill**

**Washington, D.C., April 7, 2023** – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, alongside AARP Idaho and the Idaho Land Title Association applauded the Idaho legislature for passing House Bill 238, 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).

Idaho 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.

“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.”

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.

“For most Idahoans, their home is their biggest and most valuable investment,” said AARP Idaho State Director Lupe Wissel. “We thank Idaho Gov. Brad Little and the Idaho legislature for taking action to help Idahoans protect their investment. It is difficult to think of a worse nightmare than to learn that a lien was placed on your home years ago due to a previous homeowner’s receipt of relatively minor compensation from a predatory fee agreement. This new law protects homeowners against these unscrupulous practices.”

“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.

“We are proud to be part of a strong coalition working on behalf of our consumers, the real estate industry and all Idahoans, especially vulnerable homeowners,” said Denise Potts, Idaho Land Title

Association President. “Thank you to Idaho REALTORS for their collaboration with our team along with the Idaho AARP in their support of HB 238.”

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.

HB 238 was signed into law by Gov. Little and will go into effect on July 1, 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.