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For Immediate Release

ALTA, AARP Applaud North Dakota for Passage of NTRAPS Bill

Washington, D.C., April 19, 2023 – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, alongside AARP and the AARP North Dakota applaud the North Dakota legislature for passing [House Bill 1188](#), 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).

HB 1188 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.”

“This follows our advocacy efforts we have undertaken in collaboration with ALTA in other states, and we are expecting and hoping other states will follow North Dakota’s example 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.

“We applaud the governor and the North Dakota legislature for helping North Dakota curb this predatory housing practice,” said Janelle Moos, Associate State Director for AARP North Dakota. “Our homes are sacrosanct and often the single largest investment we will make, and this legislation is an important safeguard to better ensure our investment is protected.”

The new law will:

- Make NTRAPS unenforceable by law.

- Create penalties if NTRAPS are recorded in property records.
- Provide for the removal of NTRAPS from property records and recovery of damages.

North Dakota Gov. Doug Burgum signed HB 1188 on March 23, and it will go into effect on Aug. 1.

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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.