

Contact: Megan Hernandez
Office: 202-261-0315
Email: mhernandez@alta.org

For Immediate Release

ALTA, AARP Applaud Florida for Passage of NTRAPS Bill

Washington, D.C., April 21, 2023 – The American Land Title Association (ALTA), the national trade association of the land title insurance industry, alongside AARP, the Florida Land Title Association and AARP Florida applaud the Florida legislature for passing Senate Bill 770, 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).

Florida 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 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.

“The Florida Land Title Association supports SB 770 because it helps protect the Florida real estate market from business practices which unnecessarily and possibly deceptively encumber people’s homes,” said FLTA President Mickey Godat. “The bill provides a clear framework for legitimate business practices to continue but not in a manner that adversely affects a home’s marketability.”

“We applaud the governor, attorney general and the Florida legislature for taking this essential step in helping Florida curb this predatory housing practice,” said Zayne Smith, Director of Advocacy for AARP

Florida. “Our homes are often the most important 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.
- Restrict and prohibit the recording of NTRAPS in property records.
- Create penalties if NTRAPS are recorded in property records.

SB 770 will head to the desk of Florida Gov. Ron DeSantis in the coming days, and once signed will go into effect on July 1, 2023.

###

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.