

**Senate State and Local Government Committee
Hearing on SB 2026**

Testimony from North Land Title Association

Nick Hacker – Legislative Chair

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Chairwoman Roers and Members of the Committee, my name is Nick Hacker with the North Dakota Land Title Association as well as President of The Title Team Co.

Our industry provides abstracting, title insurance and real estate closing services in every county of the state. Our job is to provide for the safe and efficient transfer of real estate between buyers and sellers.

Senate Bill 2026 creates a cumbersome and ambiguous process that must be undertaken on all real estate transactions and will add confusion for regular North Dakota citizens who will now have to understand and become knowledgeable of NDCC 47-01-09 before purchasing a home. This is generally an exciting experience when homebuyers are thinking about the physical attributes of the home they are purchasing and at the very end of the process will now need to understand the law.

As real estate closing companies, we present deeds for recording on behalf of our clients and to satisfy title insurance requirements on all transactions. This action could be interpreted under section 2 as becoming the grantee's authorized agent whether explicitly agreed to or not. We frequently serve in this capacity and meet the requirement NDCC 11-18-02.2 in which a statement must be included in the deed because we have the requisite knowledge about the real estate transfer to attest to this section of the law. Due to the ambiguous nature of SB 2026 and not having the requisite information we would not explicitly agree to serve as the authorized agent which this bill possibly create such a burden.

Real estate transactions are dynamic. Sometimes the seller signs before the buyer and sometimes the buyer signs before the seller. Other than in rare circumstances such as a VA loan document, this is the only document that will be required to be signed by both parties to the transaction at the time of closing. This will unduly delay closings and cause hardships to parties who are not present for the closing such as deployed military, nursing home residents or someone out of state during the winter.

Additionally, the bill is asking a prohibited party to attest that they are prohibited from owning the property, common sense would imply that the prohibited party would not be truthful.

SB 2026 creates a cumbersome process, is ambiguous and will burden North Dakotans at a time when they should be celebrating and enjoying their new home.

Please give this bill a do not pass recommendation.

Thank you.