

MARCH 19, 2005

The first session I attended was Forms and Practices. The group was asked if they were having any issues with domestic partnerships. There is an Interdomestic partnership deed which functions as a Quitclaim Deed out which some title companies have on their systems. San Francisco is requiring a copy of the certificate of domestic partnership with the Quitclaim Deed to avoid documentary transfer tax.

Mike Belote reported that in spite of some misleading information out there, there is still no obligation for escrow to order or distribute the natural hazards disclosure report. It was strongly suggested that escrow not select the company as there could be a cause of action for negligent referral.

The eRecording summit was reported on. With eRecording, title companies have the responsibility to send back the original documents. It will probably be at least another year before any additional counties will do eRecording. Only Orange and San Bernardino counties are currently doing it.

Session Two was By-Laws/Long Range Planning. There was much discussion regarding our new category of membership - the state membership and their representation at CEA and AEA. The business plan draft was reviewed. This is CEA's long range plan for the future. Among the proposals is to cut down on the number of people who attend the director's meetings and transfer much of the paperwork to CEA headquarters. Jennie from headquarters reviewed the results of a questionnaire that was circulated at the regional level regarding changes. Questions proposed were: a dues change to streamline the membership application process for consistency; automatic approval of new members without regional approval; structure of CEA board representation. Those regions responding were in favor of these changes.

Session Three was Bill Review. This committee gets to the heart of the reason for the existence of CEA, as the responsibility of the committee is to review proposed legislation and make recommendations to support or oppose certain bills that affect our industry. Mike Belote reported that there were 2950 new bills introduced by the deadline of 2/22, and hearings will begin 3/27. The committee made the following recommendations: AB 361 - this is a bill that will make a notary guilty of a felony if they notarize a document without the party appearing before them - Oppose. AB 459 - a proposal for a required disclosure to the buyer of the buyer's estimated taxes. It is not proposed that this be escrow's responsibility, but it is a bill to watch. AB 1539 - a requirement for a notary to determine if the person signing a document is under duress - Oppose. AB 1628 - a proposal that escrow be penalized immediately for failure to withhold at source and remit to the Franchise Tax Board, regardless of whether the seller pays the tax owed - Oppose. SB 17 - the split tax roll which will exempt certain commercial properties from the protections of Prop 13 - Oppose. SB 728 - a requirement to license sales reps from title companies which actually may extend to escrow personnel as the language in the bill is stated - Oppose. SB 781 - would make a company that accepts a bad cashier's check responsible for its payment rather than the bank - Oppose.

Each of the members of the committee has been given several bills to continue to watch their progress.

General Session. We are going to have a great conference this year as this is CEA's 50th anniversary. The regionals have been requested to pull together historical information about their region for the "walk of fame." There will also be a silent auction at the conference this year, and some wonderful raffle prizes, including a CAR. A reminder that the AEA conference will be 6/9 - 6/11 in Omaha, Nebraska.

Thank you for allowing me to serve as your Junior Director to CEA.

Respectfully Submitted ,
Ann A. Smith