



Director's Report- Judy Bixby-Arrington, CEA

Director

November 2008

Bill Review

This session was a wrap up for the close of the both the legislature year and the calendar year. Mike provided a concise overview of the Bills that were passed by the legislators and signed by the Governor. Due to the lack of a budget and the fact that the bills were not submitted to the Governor at the beginning of the designated signing period, many bills were simply put on the back burner with a stamp indicating that due to time constraints....

The following bills were signed/vetoed by the Governor:

- AB 69 – SIGNED – Authorize the Commissioner of Corp. to require finance lenders, brokers, mortgage lenders to provide reports concerning residential mortgage loan servicing activities.
- AB 529 – VETO – Notification to borrower interests rate change
- AB 1830 – VETO – Authorize Real Estate Commission to revoke or deny licenses upon violation of federal lending laws or regulation.
- AB 2020 – SIGNED – Liquidated damages
- AB 2050 – SIGNED – Strapping of fuel-gas burning water heaters in existing mobilehomes and manufactured homes.
- AB 2259 – VETO – Leasing/renting in a common interest development
- AB 2323 – SIGNED – Expand provisions for the licensing of escrow agents by Dept. of Corp.
- AB 2452 – SIGNED – Notary – Government employee identification
- AB 2604 – SIGNED – Fees and Charges prior to issuance of building permit
- AB 2733 – VETO – Notice regarding environmental hazard site
- AB 3078 – SIGNED – Personal Income Tax Law
- SB 127 – VETO – Disclosures common interest developments
- SB 133 – SIGNED – Licensing of Title Representatives – IMPORTANT – READ
- SB 1007 – SIGNED – Exchange facilitators – bonding and insurance requirements
- SB1055 – SIGNED – Persona Income Tax – Mortgage forgiveness debt relief
- SB 1137 – SIGNED – Notice of default, Notice of Sale
- SB 1319 – VETO – Escheat
- SB 1386- VETO – Smoke Detectors
- SB 1396 – SIGNED – Additional recording fee
- SB 1449 – VETO – Mechanics Liens

There was discussion about CEA promoting certain bills next year. This would be facilitated by Mike Belote.

Err on the side of Caution relating to:

Official Checks: Check with your management regarding current policies as they relate to Official Checks vs. Cashier's Checks.

Conference Committee

This session reviewed the success and challenges of this year's CEA Conference. The most obvious challenge was the economy and the negative effect it had on attendance. Our attendees this year totaled 411, registered and another 87 who were vendors. This was expected, but very disappointing.

We spent time reviewing the comments provided by those that attended the conference. Ideas were discussed about the theme for next year, and limiting the sessions per time slot. It was concluded that this would allow speakers to have a visible audience, instead of multiple sessions and attendees being torn as to which session to attend.

It was also decided that Mike Belote would be the only session on Saturday morning at the 8 am time slot. He has consistently drawn the most in attendance – probably 95%, and it was difficult to slate other sessions against his Legislature in Review.

So next year, look for changes.

Forms & Practice

We closed this session by further review being provided to the assorted questions which will soon appear on the CEA Website (Members only)

The Uniform Closing Instructions are still ongoing. Dave Shean will continue to represent California's interest and participate in conference calls which are scheduled for January.

News after this meeting as it relates to the RESPA: Escrow practitioners will NOT be involved in a scripted dissertation regarding the loan. This is a huge win for all of us. It would have had a monumental effect on how we conducted each closing.

It was noted that SB 133 was signed and being implemented January 2009. This is the requirement that each title representative be certified by their company and that there is a zero tolerance with regard to gratuities and the real estate community.

There were a couple of topics discussed:

REO are exempt from NHD, but Seller is required to provide certain disclosures which are included in NHD's. If you are requested to order, do you do it?

All the way around the table, the consensus was NO. Reports vary in content. If you order and it does not include all disclosures, you are required. It was specifically pointed out that "the \$34.95 special" typically does not include a disclosure about oil wells which may be geographically required. Don't take on responsibility that does not belong to you.

How are you handling local building department requirements? Do you order the report?

Again the consensus was DON'T DO IT. You are taking on responsibility you don't have. If you are handling properties outside your local jurisdiction, you may not be familiar with local requirements. For example: Long Beach requires a review of parking availability on properties. It's a report that is to be ordered for properties in that area.

As always, your policies are to be set by your management and/or legal departments.

There were copies of articles handed out: How can a Lis Pendens Get Removed from the Record, Elder Abuse and The Lowly Reconveyance: It Gets No Respect.

Respectfully Submitted:

Judy Bixby-Arrington
CEA Director