



# For Land's Sake

## President's Message – Bill Ronhaar



The date for this year's Pacific Northwest Title Convention has been set for August 15<sup>th</sup> through the 17<sup>th</sup> at the beautiful Embassy Suites in Portland, and I invite all to come and celebrate all that has been accomplished this year.

And what a year it has been! While we have all been excited (and grateful) to see a marked increase in our business this year, we have also had a very productive year in our association. And to be perfectly honest, our success has absolutely nothing to do with the fact that I happened to be President! Rather, it is because of a concerted effort on behalf of staff and those that volunteer their time to this association.

George Peters has done an

outstanding job as the new Executive Director, offering inspired leadership and a dedication to simply getting the job done and putting our house in order (and keeping the board of directors in line)!

The challenges of another legislative session were successfully addressed, with the association seeing a bill we sponsored, and have worked on for nearly 10 years, signed into law! The bill will allow the industry to clean up the record when deeds of trust have been paid but not released. Further, new legislation was also signed into law that establishes a data collection agent, with rules to govern that agent yet to be discussed or established by the OIC. Thanks again to Dwight

Bickel, Gary Kissling and Stu Halsan for their tireless efforts on our behalf.

Gretchen Valentine has done another great job in coordinating our annual get together with the OIC. Look elsewhere in this newsletter for more details.

Derek Matthews deserves thanks for his actions as Judiciary chair, as well as chairing a sub-committee to help coordinate the data agent legislation mentioned above.

And each member of the Board of Directors for taking the time out of their busy schedules to attend meetings and move the work of this association forward. Thanks to all, it's been a successful year.☺

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## Register Now for the Convention!

**August 15-17, 2013**  
**Embassy Suites Hotel**  
**319 SW Pine Street**  
**Portland, OR**

**IMPORTANT:** The WLTA will hold its annual meeting Thursday, August 15 immediately following the Board meeting which starts at 1 p.m. Come and participate in your

**organization. Included on the agenda will be the election of the President and Vice President and revised bylaws for the WLTA.**

**To register:**

[2013 Convention Registration](#)

**To book your room:**

[2013 Convention Embassy Suites Room Reservation](#)

## OIC Rules for Agents and Underwriters

Several years ago the Office of the Insurance Commissioner (“OIC”) adopted rules requiring each agent to annually submit to its underwriter data regarding its business expenses and policies written. The underwriters were then required to provide the information to the OIC. The data was intended to enable the OIC to review premium rate filings with a better understanding of the industry’s costs. After the data was provided the first year, the OIC found that approach unworkable and fairly unpopular with agents who didn’t like providing expense data to underwriters who were often competitors.

To its credit, the OIC realized a change needed to be made and proposed legislation in the 2012 session to create an independent statistical data agent who would receive expense data from both agents and underwriters without disclosing it to any other party. They also suspended the requirement of filing expense data while the legislation was pending. While that legislation did not pass in 2012, it did pass this year (House Bill 1035). As a result, the OIC has set September 1, 2014, as the date agents and underwriters will have to again start filing annual expense reports.

At a recent meeting between the OIC and representatives of the WLTA, the OIC also indicated a willingness to at least listen to industry proposals for changes to the new rate regulations that have been on hold awaiting resolution of

the data agent legislation. Regulations that appear to be the most unpopular include:

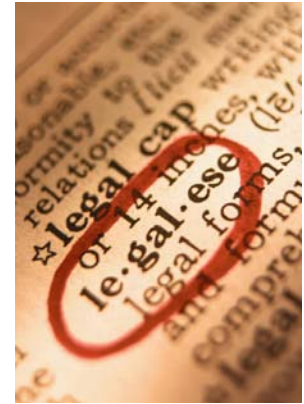
- Requiring that all title insurers file new rates in accordance with the new rating rules all at the same time. Some members of the industry have asked that the OIC allow insurers to “grandfather” their existing rates so they can continue to use them until they request a change to their rates;
- Higher liability policies cannot subsidize lower liability policies (such a regulation would greatly alter current rates, which gradually increase with policy liability amounts);
- Requiring cancellation fees to be charged and collected.

The OIC also reiterated that it has withdrawn its proposed change to the rules that would have allowed title companies to provide a broader range of non-title and escrow services to “producers of title insurance business” for a fee. The OIC’s current position is that providing non-title and escrow services for a fee is only permitted when:

- The fee charged is the **greater** of either:
  - The title company’s cost of providing the service, or
  - The value of the service, or
  - The amount the producer would pay for the service on the open market

AND

- The service is one of the following services:



- Computerized bookkeeping
- Forms management (according to the OIC, forms management does not include providing marketing templates for producers)
- Computer programming
- Trust accounting for trust accounts not held in the name of the title company
- Short sale consulting
- Transaction coordination

The OIC will be proposing new rules this summer implementing the statistical data agent legislation. These rules will spell out what information agents and underwriters have to provide, what the statistical data agent will do with the information, and how the agents and underwriters will apportion the cost of the statistical data agent (House Bill 1035 calls for the cost of the data agent to be paid for by the industry). The WLTA will be working closely with the OIC on the statistical data agent rules, and it is anticipated the OIC will hold public hearings and take written comments on the proposed rules when they are issued. ☞

*Derek Mathews, Gretchen Valentine & Sari-kim Conrad*

## What's Up at the Limited Practice Board

In 1983 the State Supreme Court adopted the “Admission to practice rule 12”. The purpose of the Rule was to “authorize certain lay person’s to select, prepare and complete legal documents incident to the closing or real estate and personal property transactions and to prescribe the conditions of and limitations upon such activities.”



Limited Practice Officers are licensed after passing a Board administered exam and meeting all licensing requirements. Ten hours of Board-approved continuing education are then required each year. Two of those hours must qualify as “liability” hours. The WLTA annually offers 6 hours of education – a great benefit for its members.

A Limited Practice Officer’s activities are regulated by the “Limited Practice Board”, which has nine members who are appointed by the Supreme Court. The rule requires that at least four of the Board members must be members of the Washington State Bar Association and that at

least one member must be from each of the following industries: escrow, lending, title insurance and real estate. The ninth member can be anyone the Supreme Court selects.

The current Board members are:

Michael Melville, **Chair**

**WSBA Representatives:** Lana M. Floyd, Kevin Plachy, David J. Grant, Jay A. Goldstein

**Real Estate Representative:** John M. Deely

**Lending Representative:** Robert W. Golden

**Escrow Representative:** Dee McComb

**Title Representative:** Kim V. Miller

One of the Board’s duties is to approve standard forms for use by limited practice officers.



Most recently the Board has considered a request to approve 2 new forms pursuant to new legislation enacted under RCW’s 61.24.110 and 61.24.110(3) scheduled to take effect on July 28, 2013. This legislation creates Alternate Reconveyance Procedures for Deeds of Trusts. The Board’s official response to this request is as follows:

*“Although the Forms Committee of the Board has received suggested forms for review, in the Board’s opinion, the language of the statute itself provides the basis of authority for an “escrow agent” to prepare the forms necessary to comply with the statute. Because the statute references an “escrow agent” and not “Limited Practice Officer” the Board considers the approval of any forms referenced in the statute unnecessary.”*

*The Board would like to clarify that a Limited Practice Officer is not precluded from preparing the forms referenced in the statute so long as the forms are prepared in compliance with the statute.”*

*Kim Miller, LPO and Limited Practice Board Member*

General Information the Limited Practice Board and LPOs can be found at:

[www.wsba.org/LPOs](http://www.wsba.org/LPOs)

Information about continuing education for LPOs can be found at:

[LPO Continuing Education](#)

The Rules for Limited Practice Officers can be found here:

[LPO Rules](#)

Forms currently approved for use by LPOs are posted here:

[LPO Forms](#)

## Calendar – What's Ahead?

- Independence Day Holiday  
*Thursday, July 4*
- Pacific Northwest Land Title Convention  
*August 15-17, Embassy Suites, Portland*  
Washington, Oregon, Idaho, Montana and Utah
- Agents Committee Annual Meeting (Agents only)  
*Thursday, August 15, 1 p.m. – at the Convention*
- Executive Board Meeting (All members welcome)  
*Thursday, August 15, 1:30 p.m. – at the Convention*
- Annual Membership Meeting (All Members)  
*Thursday, August 15, immediately following the Board meeting*
- Education Seminar (Eastern Washington – open to all, but member discount!)  
*Saturday, September 7 – Wenatchee Convention Center*
- Education Seminar (Western Washington – open to all, but member discount!)  
*Saturday, November 2 – Everett Convention Center*



### 2012-2013 Officers

**Bill Ronhaar, President**  
**Derek Matthews, Vice President**  
**John Lancaster, Immediate Past President**

### 2012-2013 Directors

**Ray Davis**  
**Ed McFerran**  
**John Martin**  
**Rush Riese**  
**Brenda Rawlins**

### 2012-2014 Directors

**Del Ames**  
**Marci Dray**  
**Dave Goddard**  
**Gale Hickok**  
**Curt Johnson**

**Gary Kissling**  
**JP Kissling**  
**Chuck Trafton**  
**Kris Weidenbach**

### Committee Chairs

**\*Steve Green-Agents**  
**\*Gretchen Valentine-OIC Liaison**  
**\*Dwight Bickel-Legislative**  
**Gary Kissling-Legislative**  
**Derek Matthews-Judiciary**  
**Ray Davis-Indian Affairs**  
**John Martin-Education**  
**Paul Hofmann-Membership**  
**JP Kissling-Technology**  
**Chuck Trafton-Grievance**  
**Kris Weidenbach-TITAC (Board member)**

## In Memoriam

The WLTA remembers two who served the title insurance industry and are no longer with us.



**Bud Morgan** was the president of Title Guarantee in Chehalis and served as the WLTA's president in 1992-1993. His generous service to his community and to our organization will long be remembered.



**Del Hilkemeier** worked in the industry for 25 years in the greater Seattle area. He and his wife Virginia, who is also a long time title person, retired to Arizona in 2007.

Our condolences go to Jean and Virginia and their families, and our heartfelt thanks to the many contributions Bud and Del made to our industry over the years. A special recognition will be offered at the annual convention.

[\(Bud Morgan Obituary\)](#)

[\(Del Hilkemeier Obituary\)](#)



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