

MEMORANDUM

From: Edward F. Lowry, Jr., Chair
Study Committee on Real Property Title Clearance Methods and Procedures

To: Committee on Scope and Program

Date: January 3, 2003

Re: Study Committee Proposal

This memorandum contains the report of the Study Committee on Real Property Title Clearance Methods and Procedures. For reasons discussed below, the Committee unanimously proposes the appointment of a Drafting Committee to prepare a Uniform Mortgage Satisfaction Act (“Act”).

Economic Impact of Mortgage Lending, Sales of Mortgages, and Securitization

Real estate mortgage lending plays a significant role in the United States economy. According to Doug Duncan, chief economist and Senior Vice President of the Mortgage Bankers Association of America, U.S. residential mortgage originations should reach \$2.42 trillion in 2002. While the volume of residential mortgage loans dwarfs the volume of commercial loans, commercial mortgage loan origination levels are nontrivial, totaling \$ 73.8 billion during 2001.¹

Furthermore, most lenders originating home mortgage loans no longer retain these loans in their portfolio, but instead sell these loans on the secondary mortgage market, thereby facilitating the securitization of the loans.² For the first nine months of 2002, issuance of mortgage-backed securities

¹2001 MBAA Commercial Mortgage Banker Origination Survey.

²“Securitization” is the term used to describe the process by which an obligee assembles or “pools” a substantial number of debt obligations (*e.g.*, 1,000 mortgages) and uses the pooled obligations – and the payment streams they produce – to support the issuance of debt or equity securities. While a mortgage lender could pool its own mortgages and issue securities backed by them (“mortgage-backed securities,” or “MBS”), the lender will more typically sell the mortgages to a special purpose entity that will in turn issue MBS. The process of securitization facilitates the availability of mortgage credit, as MBS attract capital from sources (such as individual investors) that could not readily engage in direct mortgage lending.

totaled \$1.54 trillion, more than a 40% increase over the same period in 2001.³ Likewise, commercial real estate mortgage lending has also seen the development of a significant trend towards securitization, with the worldwide volume of issuance of commercial mortgage-backed securities (CMBS) nearing \$100 billion annually.

Satisfaction of Mortgages: Background

When the mortgagor pays off an existing mortgage loan, the mortgage is legally satisfied — but no evidence of that satisfaction automatically appears on the public records. This creates a potential practical problem for the mortgagor. For example, if the mortgagor has contracted to sell the home to a buyer, the mortgagor must be able to “clear” the existing mortgage document from the public records in order to establish marketable title (and thus to be in a position to compel the buyer’s performance of the contract). Likewise, if the mortgagor plans to incur another mortgage debt (*e.g.*, if the mortgagor was simply refinancing the existing mortgage), the mortgagor must be able to clear the existing mortgage from the public records in order to assure the new mortgage lender of its expected priority. If the mortgagor cannot “clear its title” by having the satisfaction of the existing mortgage noted on the public records, the mortgagor incurs nontrivial external costs. The mortgagor will either be unable to complete its expected sale/refinancing, or will have to incur additional transaction costs (such as obtaining affirmative title insurance coverage over the already-satisfied mortgage) in order to complete the transaction.

Traditionally, the mortgagor has cleared its title by (a) having the mortgagee mark the original note “paid in full,” (b) having the mortgagee provide a document evidencing satisfaction of the mortgage, and (c) recording that document in the public land records. When local thrift institutions held home mortgage loans in their portfolios until maturity, the process of obtaining this documentation was straightforward. The individual mortgagor simply went to the mortgagee’s local branch office where the loan was first originated. Typically, the mortgagor could obtain this documentation either immediately (if the lender maintained the original note on-site) or within a few days or weeks (if the lender maintained the original note in a nearby central depository).

Title-Clearing Problems and Remedial State Legislation

Even though the process was straightforward, mortgagors sometimes encountered difficulty in obtaining the necessary documentation. This difficulty presumably reflected a practical reality — once the mortgagee has been paid, it has little incentive to act quickly to provide service to a “former” customer. Theoretically, the availability of a slander of title claim could have provided incentive to encourage prompt action by a recalcitrant mortgagee. Many states, however, defined the common law slander of title action to require “malicious” conduct — a standard that would not clearly include the merely lazy

³Bond Market Association Research Quarterly, as reported on MBA Online, <http://www.mbaa.org>, November 27, 2002.

or negligent mortgagee. As a result, state legislatures have responded with various provisions designed to provide incentives to recalcitrant mortgagees and to ameliorate the consequences of mortgagee failure to issue timely releases.

A. ***Grace Periods and Penalties for Mortgagee Noncompliance.*** All 50 states have promulgated legislation designed to provide the mortgagee with a financial incentive to act promptly to provide title-clearing documentation upon satisfaction of the mortgage debt. These statutes typically allow the mortgagee some grace period in which to provide a recordable notice of satisfaction, and permit the mortgagor (or other injured party) to recover any actual damages caused by the mortgagee's failure to do so. Most (but not all) of these statutes also impose stipulated damages upon such a noncompliant mortgagee. In this regard, however, these statutes vary dramatically, ranging from a proverbial "slap on the wrist" (e.g., \$100 in Idaho, and a fine ranging from \$10 to \$25 in New Mexico) to a moderately significant charge (e.g., \$500 in Georgia, Kansas, Montana and Nevada) to the draconian (e.g., Pennsylvania authorizes the forfeiture of "any sum not exceeding the mortgage money," and South Carolina authorizes a penalty equal to the lower of one-half of the mortgage debt or \$25,000).⁴ Moreover, these state statutes differ in terms of the threshold requirements for imposing penalty liability upon a noncompliant mortgagee. In some states, the mortgagee is liable if it fails to provide a recordable notice of satisfaction within the applicable time period, regardless of whether the mortgagor made demand; in others, the mortgagee cannot be held liable for a penalty unless the mortgagor has first made a request.⁵

Such a lack of uniformity is unfortunate, as it appears to create incentives for mortgagees to respond differentially to otherwise similarly-situated mortgagors (i.e., mortgagees have an incentive to respond more promptly in states where the grace period is shorter and the statutory penalty is higher). Further, there is some evidence that states are engaging in a "race to the bottom" to ratchet up the statutory penalty, in order to ensure preferential treatment of their own citizens.⁶

B. ***Nonjudicial Release Mechanisms.*** While each state has (as noted above) enacted legislation designed to provide a mortgagee with incentives to execute and deliver a recordable notice of satisfaction, not all states have provided a remedial mechanism that would permit a mortgagor or its agent to clear title of a satisfied mortgage if the mortgagee or its servicer simply fails to respond to a proper request. All of the states either expressly or implicitly authorize the mortgagor to bring judicial action against the mortgagee to obtain a judicial order of satisfaction. However, the judicial context of

⁴A comprehensive table appears in Appendix A.

⁵Moreover, while some states require that the mortgagor's demand or request be in writing, others merely specify that the mortgagor make a demand or request, suggesting that an oral demand or request might be sufficient.

⁶In the past ten years, a number of states (including Connecticut, Maine, Mississippi, Montana, Nevada, Utah, Vermont, and Virginia) have increased the statutory penalty for noncompliant mortgagees.

this remedy typically involves the procedural delays attendant to most civil litigation.

In an increasing number of states, statutes have authorized a nonjudicial procedure whereby a defined person or entity can record a notice of satisfaction on behalf of the mortgagee — thereby clearing the title — based upon that an affidavit demonstrating that the mortgage debt has been paid and that the mortgagee has failed to provide a recordable notice of satisfaction within the statutory grace period following notice. Twenty-seven states now have such a procedure (with most having adopted these procedures since 1990, and nine having done so in the past three years).⁷

There are significant variations among these states, however, with respect to the identity of the party authorized to record such a notice of satisfaction. The most common approach — available in Arizona, California, Colorado, Connecticut, Hawaii, Idaho, Illinois, Indiana, Minnesota, Nevada, New Jersey, North Dakota, Oregon (for deeds of trust only), Rhode Island, South Dakota, Texas, Utah and Wyoming — permits the affidavit and notice of satisfaction to be filed by a title insurer (e.g., the insurer for the purchaser from the mortgagor or that purchaser’s mortgage lender). In the Mid-Atlantic and New England regions, several states permit filing of an affidavit and notice of satisfaction by a licensed attorney (Connecticut, Delaware, Georgia, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, South Carolina and Vermont). In Georgia and Kansas, a lender can file such an affidavit (e.g., the refinancing lender for the mortgagor or the permanent lender for the mortgagor’s successor); Virginia permits a “settlement agent” to do so.

While these statutes have become increasingly common, there remain significant differences in them. The statutes specify different grace periods and different requirements for the content of the necessary affidavits. Some of these statutes apply to all mortgages, but others (e.g., New York and Illinois) apply only to residential mortgages, and yet others apply only to mortgages below a certain principal amount (such as \$500,000). Moreover, the statutes impose differential sanctions upon parties who negligently or fraudulently procure improper notices of satisfaction.

In the remaining 23 states, there is no mechanism for anyone other than the mortgagee or its authorized agent to file notice of satisfaction (absent judicial authorization).

Mortgage Satisfaction and Complications Due to Sale of Mortgage

The widespread sale (and, often, securitization) of home mortgage loans has complicated the payoff, discharge and release of mortgage instruments. If the mortgagor’s loan has been sold, the originating mortgagee will no longer retain the original loan documents (except in the unlikely event that the original mortgagee retains loan servicing responsibilities). Instead, it is most likely that the loan documents will reside with the party who is servicing the loan. This may be a location hundreds (or thousands) of miles from the place where the loan originated. In addition, transfer of servicing of home mortgage loans is

⁷See Appendix A.

not uncommon. If the servicing operation for a particular loan has been transferred one or more times during the term of the loan, this increases the risk of mislocation of the original loan documents — thereby correspondingly increasing the risk that the mortgagor will be unable to locate the documents and obtain a timely release in the event of a payoff.

Because the overwhelming majority of modern residential mortgage loans are sold in expectation of being securitized, state laws should take account of the potential burden that financial disintermediation has placed upon mortgagors seeking to obtain recordable satisfaction documents. At the same time, state laws should also reflect that conscientious mortgagees and their servicers need a realistic period of time in which to respond to a mortgagor's request for a satisfaction. Even the most conscientious of mortgagees and servicers will have some delay in responding to mortgagor requests, as evidence of payment and execution and delivery of a recordable satisfaction passes up and down the bureaucratic chain of responsibility. Unfortunately, existing state laws vary widely from state to state, and many impose time deadlines (such as 7 days in Michigan, and 10 days in Alaska, Rhode Island and South Dakota) that push the bounds of practicality as applied to the modern mortgage loan.

MERS and the Impact of MERS Upon the Mortgage Satisfaction Problem

As the following discussion explains, the Mortgage Electronic Registration System (MERS) does not present a complete or sufficient solution to the problem addressed by the proposed Act. MERS is a private mortgage tracking system created by members of the mortgage banking industry to eliminate the need to prepare and record assignments when trading mortgage loans. When a member of the MERS organization makes a mortgage loan, it completes the mortgage document with MERS listed as the mortgagee, as nominee for the lender. Thus, in the public records, MERS actually appears as mortgagee in the public land records. If the lender subsequently assigns the mortgage, whether as part of a pool of securitized mortgages or not, there is no assignment made in the public land records. Instead, MERS maintains an electronic tracking system that allows borrowers and lenders to track changes in servicing and beneficial ownership rights. For loans registered on MERS, title companies thus have a single, electronic source of identifying the current servicer of a loan in order to obtain payoff quotes and verify that payoff funds have been received. For loans recorded with MERS as mortgagee, MERS itself would issue the necessary recorded notice of satisfaction.

If universally adopted, the MERS system could greatly ameliorate the “who has the loan documents?” problem that the widespread securitization of mortgage loans has exacerbated. MERS has grown rapidly; it currently registers approximately 21,000 mortgage loans per day and expects, by January 2003, to register 50% of all new residential mortgage loans.

MERS does not provide a sufficient solution to the problem addressed by the proposed Act, for several reasons: (a) as registration via MERS is not required, MERS is unlikely to achieve universal use in any event; (b) even though MERS has achieved impressive enrollment numbers within the past several years for new home mortgage loans, there remain millions of currently outstanding residential mortgage loans that were originated prior to the development and widespread use of MERS; (c)

MERS is much less frequently used for commercial loans.⁸

A Framework for the Act

An Act would have two primary focuses:

- First, the Act would establish a reasonable grace period for the mortgagee to provide a recordable notice of satisfaction following the full payment of the mortgage debt. In establishing such a grace period, the Act should also (a) establish an appropriate penalty or statutory damage amount recoverable from a noncompliant mortgagee, (b) establish the extent to which such a penalty/statutory damages is either in addition to or lieu of actual damages caused by the mortgagee's noncompliance, (c) establish the mortgagee's liability for costs and attorneys' fees incurred by the mortgagor in an attempt to clear title, and (d) clarify the extent to which the mortgagor is obligated to provide formal demand or request for a recordable notice of satisfaction (and the form of such demand).
- Second, the Act would establish a nonjudicial procedure that would permit an authorized person to record notice of satisfaction in the event that the mortgagee failed to provide a recordable notice of satisfaction within the grace period. The Act would (a) establish the contents of the affidavit evidencing satisfaction of the mortgage debt; (b) clarify the party or parties capable of preparing and filing such an affidavit and notice of satisfaction; and (c) specify the sanctions that would apply in the event of a negligently or fraudulently filed notice of satisfaction.

Finally, the Act would clearly indicate its scope (the extent to which the Act will apply to all mortgages or merely residential mortgages; whether the Act will apply to all mortgages below a certain principal amount, etc.).

Conference Criteria for Proposed Acts

The Study Committee on Real Property Title Clearance Methods and Procedures **unanimously** recommends that the Conference appoint a drafting committee to prepare a Uniform Mortgage Satisfaction Act. The preparation of the Act would be consistent with the Conference's Statement of Policy Establishing Criteria and Procedures for Designation and Consideration of Acts:

- As required by Criteria 1(a), the subject matter of the Act is appropriate for state legislation.

⁸In September 2002, MERS began development of a new product — MERS Commercial — that would function similarly to its residential program, but would focus upon electronic registration of commercial mortgages that were expected to be securitized.

Issues relating to land titles have always fallen within the traditional purview of state law. As noted above, all 50 states currently have statutory provisions relating to payment and discharge of recorded mortgages.

- As required by Criteria 1(b), the subject matter of the Act is appropriate for uniform state legislation. As discussed above, the diversity of state legislative approaches to the problems associated with mortgage satisfaction has several undesirable consequences, including, *inter alia*, (a) incentives to differential treatment of otherwise similarly-situated mortgagors, (b) a “race-to-the-bottom” among state legislatures to augment statutory penalties for noncompliant mortgagees, and (c) potential discouragement to the securitization of mortgage loans.
- The Act would conform to Criteria 1(c), because its preparation will be a practical step toward uniformity of state law, there is a reasonable probability that the proposed Act would be adopted by a substantial number of jurisdictions or would promote uniformity indirectly, and this uniformity would produce significant public benefits or avoid significant disadvantages likely to arise from continued diversity of state law.
 - First, an increasing number of states have promulgated statutes allowing either attorneys, title insurers, lenders or settlement agents to prepare and record a notice of satisfaction if the mortgagee fails to respond in a timely fashion the event of mortgagee noncompliance. The development of these statutes reflects the practical need for such a release mechanism, and the preparation of the proposed Act would provide further impetus for the introduction of comparable legislation in other states (thereby promoting uniformity either through the promulgation of the proposed Act or minimizing disuniformity via the more widespread adoption of one of the existing statutory regimes). Further, the recent trend (with nine states having adopted such legislation within the past three years alone) suggests that there is a reasonable probability that the proposed Act would meet with approval and that its prospects for adoption would be good.
 - Second, a number of states have recently increased their statutory penalties for mortgagees who fail to comply in a timely fashion with a request for a recordable notice of satisfaction. Building upon this recent trend, preparation of a proposed Act may help to produce debate and a consensus about the appropriate sanction for noncompliant mortgagees, either promoting uniformity through the enactment of the proposed Act, or minimizing diversity through the amendment of existing state laws that are either too harsh or too lenient.
 - Third, the increasing popularity of MERS may in fact increase the likelihood that the proposed Act would be enacted by a substantial number of jurisdictions. As MERS approaches universal use (*i.e.*, to the extent that MERS is identified as mortgagee in all new loan originations), MERS would become the party to execute most notices of satisfaction. As such, states would have diminished reason to apply disparate regimes

to MERS. Thus, the increasing prevalence of mortgages listing MERS as mortgagee may provide impetus to standardization that would aid in the widespread adoption of the proposed Act.

APPENDIX A
COMPREHENSIVE STATE LAW TABLE
MORTGAGE SATISFACTION AND RELEASE

Jurisdiction	Citation	Grace Period	Grace Period Commences Upon	Penalty	Nonjudicial Release Mechanism
Alabama	Ala. Code §§ 35-10-27, 35-10-30	30 days	Full payment and written request	\$200	No
Alaska	Alaska Stat. § 34.20.050	10 days	Full payment, written request and tender of reasonable charges	\$300 + actual damages	No
Arizona	Ariz. Rev. Stat. Ann. §§ 33-707, 33-712	30 days	Full payment	Actual damages	Yes, title insurer affidavit (enacted 1991)
		30 additional days	Full payment and written request	\$1,000 + actual damages	
Arkansas	Ark. Code Ann. § 18-40-104	60 days	Full payment and request	Forfeiture of any sum not exceeding the mortgage money	No
California	Cal. Civ. Code § 2941	30 days (mortgage)	Full payment	\$500 + actual damages	Yes, title insurer affidavit
		21 days (deed of trust)	Full payment and receipt by trustee of original, request for reconveyance, payment of fees		

Colorado	Col. Rev. Stat. § 38-39-102				Yes, title insurer affidavit
Connecticut	Conn. Gen. Stat. §§ 49-8, 49-8a	60 days	Full payment and written request	Greater of actual damages or \$200/week (up to \$5,000), + costs and attorney fees	Yes, attorney or title insurer affidavit
Delaware	De. Code Ann. tit. 25 §§ 2111, 2114, 2120	“forthwith”	Full payment	Fine of no more than \$1000 (if wilful); damages of \$10 to \$500 unless greater actual damage proven	Yes, attorney affidavit (1994)
		60 days		Recorder shall file complaint w/Attorney General	
Florida	Fla. Stat. Ann. §§ 701.03, 701.04	60 days	Full payment	Attorney fees and costs	No
		30 days after demand	Full payment and demand	Misdemeanor	
Georgia	Ga. Code Ann. § 44-14-3	60 days	Full payment	\$500 + actual damages and attorney fees, but demand required for recovery of \$500 penalty	Yes (attorney or lender affidavit)

Hawaii	Haw. Rev. Stat. § 506-8	60 days	Full payment and written request	Treble damages and attorney fees	Yes (title insurer affidavit) (1994)
Idaho	Idaho Code § 45-915		Full payment and demand	\$100 + actual damages	Yes (title insurer affidavit) (1995)
Illinois	ILCS ch 765 §§ 905/2, 905/4	1 month	Full payment and request	\$200 + attorney fees	Yes (title insurer affidavit) (2002)
Indiana	Ind. Code § 32-28-1-2	15 days	Full payment and written demand	Up to \$500 + costs and attorney fees	Yes (title insurer affidavit) (2001)
Iowa	Iowa Code § 535B.11	45 days	Full payment		No
		15 days	Written notice from Superintendent of Division of Banking	Fine up to \$50/day	
	Iowa Code § 655.3	30 days	Full payment and request	Actual damages + attorney fees	
Kansas	Kan. Stat. Ann. § 58-2309a	20 days	Full payment and demand	\$500 + actual damages and attorney fees	Yes (lender or designated closing agent affidavit)
Kentucky	Ky. Rev. Stat. § 382.365	30 days	Full payment	\$100/day beginning on 15 th day after notice, \$500/day beginning on 45 th day	No

Louisiana	La. Rev. Stat. Ann. § 9:5385	30 days (60 days if federally sponsored lender, federal agency or instrumentality, or nonoriginating assignee located outside state)	Full payment and written demand	Actual damages + attorney fees	No
Maine	Me. Rev. Stat. Ann. tit. 33, § 551	60 days	Full payment	Greater of actual damages or \$200/week (up to \$5,000), plus attorney fees	No
Maryland	Md. Real Prop. Code Ann. § 7-106(d),(e)	30 days	Full payment and written request	All costs and expenses, including attorney fees	No
Massachusetts	Mass. Gen. Laws Ann. ch. 183 § 55	45 days	Full payment, request and tender of reasonable charges	All damages	Yes (attorney affidavit) (1987)
Michigan	Mich. Comp. Laws § 565.44	7 days	Full payment, request and tender of reasonable charges	\$100 plus actual damages and double costs	No

Minnesota	Minn. Stat. Ann. § 507.41	10 days	Full payment, request, and tender of reasonable charges	Actual damages	Yes (title insurer affidavit) (1994) [§ 507.401]
Minnesota (cont.)	Minn. Stat. Ann. § 507.41	60 days (if nonresident lender)	Full payment	Actual damages	Yes (title insurer affidavit) (1994) [§ 507.401]
Mississippi	Miss. Code Ann. § 89-5-21	1 month	Full payment and request	\$200 plus any sum not exceeding the mortgage money	No
Missouri	Mo. Rev. Stat. § 443.130	15 business days	Full payment, request and tender of costs	10% of the mortgage amount, plus any other damages	No
Montana	Mont. Code Ann. § 71-1-212	90 days	Full payment and request	\$500 + actual damages	No
Nebraska	Neb. Rev. Stat. § 76-252	60 days	Full payment and written request	Greater of \$1000 or actual damages, plus costs and attorney fees	No
Nevada	Nev. Rev. Stat. § 106.290 (mortgage)	21 days	Full payment and written notice	\$500 + actual damages and attorney fees	Yes (title insurer affidavit) (1999)
	Nev. Rev. Stat. § 107.077 (deed of trust)	21 days for beneficiary, add'l 45 days for trustee			

New Hampshire	N.H. Rev. Stat. Ann. §§ 479:7, 479:8	60 days	Full payment		Yes (attorney affidavit) (1999)
New Jersey	N.J. Rev. Stat. §§ 46:18-11.2, 46:18-11.3	15 days	Full payment, request and tender of fees	Greater of actual damages or \$50/day (up to \$1,000)	Yes (attorney or title insurer affidavit) (1999)
New Mexico	N.M. Stat. Ann. §§ 48-7-4, 48-7-5	None stated	Full payment and written demand	Fine between \$10-25 + costs of clearing title and attorney fees	No
New York	N.Y. Real Prop. Acts § 1921	90 days	Full payment	Greater of actual damages or \$500	Yes (attorney affidavit) (1993)
North Carolina	N.C. Gen. Stat. § 45-36.3	60 days	Full payment		No
		Additional 30 days	Notice of nonrelease	\$500 to mortgagor, \$500 to purchaser, plus attorney fees and other actual damages	
North Dakota	N.D. Cent. Code § 35-01-27	30 days	Full payment and demand	\$100 + actual damages	Yes (title insurer affidavit) (2001)
Ohio	Ohio Rev. Stat. Ann. § 5301.36	90 days	Full payment	\$250 + actual damages	No

Oklahoma	Okla. Stat. Ann. tit. 46, § 15	50 days + 10 days after written request	Full payment and written request	1% of principal (up to \$100) per day, up to 100% of principal	No
Oregon	Or. Rev. Stat. § 86.140 (mortgage)	30 days	Full payment, request and tender of reasonable charges	\$500 + actual damages	No
	Or. Rev. Stat. § 86.720 (deed of trust)	30 days for beneficiary, 30 add'l days for trustee	Full payment		Yes (title insurer affidavit) (1993)
Pennsylvania	Pa. Stat. Ann. tit. 21, §§ 681, 682	45 days	Full payment, request, and tender of reasonable charges	Forfeiture of any sum not exceeding mortgage money	No
Rhode Island	R.I. Gen. Laws § 34-26-5	10 days	Full payment, request, and tender of reasonable charges	\$50 for first day after expiration of grace period, \$5/day thereafter, plus actual damages, attorney fees and triple costs	Yes (attorney or title insurer affidavit) (1995)

South Carolina	S.C. Code Ann. § 29-3-320	3 months	Full payment, request, and tender of fees	Lower of one-half the debt or \$25,000, + costs, attorney fees and actual damages in court's discretion	Yes (attorney affidavit) (1999)
South Dakota	S.D. Codif. Laws § 44-3-8	10 days	Full payment and written demand	\$100 + actual damages and attorney fees	Yes (title insurer affidavit) (1997) [§ 44-8-31]
Tennessee	Tenn. Code Ann. § 66-25-102	45 days	Full payment and written request	\$100 + costs and attorney fees	No
		Add'l 30 days	Second request	Up to \$1,000 + costs and attorney fees	
Texas	Tex. Prop. Code Ann. § 12.017				Yes (title insurer affidavit) (1993)
Utah	Ut. Code Ann. § 57-1-38	90 days	Full payment	Greater of \$1,000 or treble damages, + attorney fees and costs	Yes (title insurer affidavit) [§ 57-1-40]
Vermont	Vt. Stat. Ann. tit. 27, § 464	30 days	Full payment	\$25/day (up to \$5,000) + actual damages or punitive damages, costs, and attorney fees	Yes (attorney affidavit) (1995) [§ 464a]

Virginia	Va. Code Ann. §§ 6.1-330.82, 55-66.3	90 days	Full payment and notice	\$500 + court costs and attorney fees	Yes (settlement agent affidavit) (2002)
Washington	Wash. Rev. Code § 61.16.030	60 days	Full payment and request	Actual damages and attorney fees	No
West Virginia	W. Va. Code § 38-12-1	30 days	Full payment	Actual damages, plus court costs incurred in title-clearing action and attorney fees	No
Wisconsin	Wis. Stat. § 706.05	30 days	Full payment		No
		7 days	Full payment and written request	\$100/day (up to \$2,000) + actual damages	
Wyoming	Wyo. Stat. § 34-1-132	30 days	Full payment and written request	.1% of principal per day, up to \$100/day + actual damages	Yes (title insurer affidavit) (1999)