

December 29, 2009

New Laws Affecting Your Desk

By Mike Belote, Esq.

Over 600 new laws will take effect on January 1, 2010, not counting several dozen more which took effect throughout this past year. CEA members should be particularly aware of the following:

- **SB 94** (Calderon): Advance Fees. This bill took effect immediately upon the Governor's signature on October 11, 2009. The bill places very significant limitations on the ability to collect advance fees for loan modification services, applying to real estate licensees and anyone else claiming or demanding such a fee. For example, new Civil Code Section 2944.7 says that any person who negotiates or arranges loan modification or forbearance services may not "claim, demand, charge, collect or receive" fees until each and every service has been performed;
- **SB 306** (Calderon): Short-Pays. This CEA-sponsored measure has been described very extensively in the *CEA News*, and at the CEA Conference in October. The bill enacts very specific provisions for requesting and receiving "short-pay demand statements" under Section 2943 of the Civil Code. The bill becomes effective on January 1, 2010. Following is a link to a brief SB 306 PowerPoint presentation explaining the changes and new procedures in detail:

<http://www.ceaescrow.org/Forms/SB-306-Short-Sale-Demand-Procedures.pdf>

- **AB 957** (Galgiani): Title and Escrow Services. Effective immediately upon the Governor's signature on October 11, 2009, this well-known bill prohibits REO sellers from requiring the use of title or escrow services chosen by the seller, if paid by the buyer.

These bills, and all others followed by CEA for 2009 and 2010, are available on the [CEA Web site](#).

IMPORTANT HOT TOPIC LINKS:

(Click on the Item to be Directed to the Web Site)

[Franchise Tax Board – New Withholding Forms
New HUD-1 Information](#)
[CLTA News Express – December 8, 2009](#)
[SB 306 – Short Pays – NEW LEGISLATION](#)
[CEA and Regional 2010 Calendar of Events](#)

Other General Reminders:

- The 2010 CEA Membership Cards Will be Issued in January – Thank You if you Have Already Renewed Your Membership
- Your Membership Certificate is Available in Your Personal Profile Area on the CEA Web Site – Be Sure to Print It and Display It

- Professional Designation Credits Must be Filed with CEA Headquarters – Postmarked, by December 31, 2009 to Avoid a \$40.00 Filing Fee - [Click Here for a 502 Form](#)
- Regional Calendar and Events – Check Out the Calendar on the [Web Site](#)
- 2010 Conference – October 14-16 - Ontario

PRESIDENT'S MESSAGE

By Donna J. Grosso, CSEO

Welcome to the New Year!

At the end of each year, between Christmas and New Year's Day, I spend some quiet time reflecting on the events in the past year. Review of the year gives me the opportunity to assess what went well and what I could do better. Writing down those things which went well in one column and those in which I could have done better in another column makes it much easier to look at my goals for 2010.

The California Escrow Association has played a big part in my life in 2009 and in analyzing the year's events in the California Escrow Association helps me know how I will strive to live 2010.

Edith Lovejoy Pierce said it well: We will open the book. Its pages are blank. We are going to put words on them ourselves. The book is called Opportunity and its first chapter is New Year's Day. Because of the actions of our members in 2009, I am sharing what the members taught me was most important for me to achieve 2010.

1. Give Others Your Honesty – There are times when it seems easier to tell a “white lie”. Each “white lie” leads people to believe you are a little less trustworthy. Our members have been honest even when it was something we didn't want to hear and our members did it with kindness.

2. Give Others Your Respect – No matter how difficult, no matter how uncaring individuals may seem, they are just like us, a human being trying to make it in this world. Our respect for them may just

be the recognition they need to turn the corner. Respect shone brightly among our members.

3. Give Others Your Vulnerability – Escrow professionals are known to be strong, self assured and seemingly invincible. In 2009, some of our members shared their weaknesses, their fears. In doing so, those members only became more courageous, more admired in my eyes.

4. Give Others Your Care – Watching the actions of our members is memorable. Caring for those we know and love seems instinctive. Caring for those we don't know demonstrates the true meaning of care. I am amazed how our members reached out to those people who are not in their circle of friends and let these “strangers” know they are loved.

5. Give Others Your Passion – If you are good in your chosen profession, it goes without saying you are mostly likely very passionate about your work. Our members have shared their other passions outside of the escrow world. And that too, brings out the best in all of us.

6. Give Others Your Experience – CEA members are great in sharing their escrow experiences. What is even more inspiring is how our members share what they have learned personally over the years. This has been a year of learning for us.

7. Give Others Your Help – On a regular basis, our members help each other with escrow advice on transactions and procedures. Unfortunately, this year we have members who have suffered severe health issues and the emotional issues which accompany poor health. CEA members taught me how important it is to reach out to those in need and give them the most precious gift we have – our time and our support.

8. Give in Abundance – and you will receive much, much more.

And so CEA members, you have not only helped me with my 2010 goals, you have given eight more good reasons to be a CEA member. Pass the word! Yes, I am “A Proud Member of the California Escrow Association”

California Escrow Association
 2520 Venture Oaks Way, Suite 150
 Sacramento, CA 95833
 916.239.4075 – phone/916.924.7323 – fax
cea@camgmt.com
www.ceaescrow.org