

FIRST REGULAR SESSION

HOUSE BILL NO. 103

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BERRY.

0319H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 428, RSMo, by adding thereto one new section relating to fraudulent title documents.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 428, RSMo, is amended by adding thereto one new section, to be known as section 428.112, to read as follows:

428.112. 1. If a title insurer, title agent, or title agency who has caused a search of title to be made in accordance with section 381.071 makes a determination that, based upon such title search and other available information, a document constitutes a materially false or fraudulent document as described in section 400.9-501(c), the title insurer, title agent, or title agency shall record a notice of false or fraudulent document, which shall:

(1) Be in writing and sworn under oath by an authorized representative of the title insurer, title agent, or title agency;

(2) Identify the book and page of the document alleged to be materially false or fraudulent;

(3) State sufficient facts to support the title insurer, title agent, or title agency's determination that the document is materially false or fraudulent; and

(4) Be accompanied by the proper recording fee.

2. The recording of a notice of a false or fraudulent document shall be received as prima facie evidence in all courts of the truth of the invalidity of such false or fraudulent document. This section shall not be construed to result in the invalidity of a document which is shown to be authorized by contract, lease, or statute or imposed by a state or federal court of competent jurisdiction.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 **3. Upon the filing of a notice of a false or fraudulent document in accordance with**
19 **this section, any person adversely affected by the false or fraudulent document described**
20 **therein shall be held harmless from and against the claims of any third party who relies**
21 **upon the false or fraudulent document to such party's detriment.**

22 **4. No title insurer, title agent, or title agency shall be liable for the recording of a**
23 **notice of a false or fraudulent document recorded as a result of a search of title as**
24 **described in this section.**

25 **5. If a person files a false or fraudulent document with the recorder as described**
26 **in section 400.9-501(c), the person whose interest is adversely affected by the false or**
27 **fraudulent document may file an action against the person who recorded the document**
28 **seeking appropriate equitable relief for damages including, but not limited to, an order**
29 **declaring the document ineffective and awarding reasonable attorney's fees.**

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