

WFG Underwriting Bulletin



To: All New York Policy Issuing Agents of WFG National Title Insurance Company
From: Underwriting Department
Date: May 20, 2016
Bulletin No. NY 2016-03
Subject: Enforcement of Environmental Control Board Liens (ECBs)

A recent report to the New York City Department of Finance indicates that there are upward of one billion dollars' worth of uncollected Environmental Control Board liens. The DOF believes that title companies hold a significant amount of money in escrow for payment of these liens, and at a recent meeting with representatives of the Title Association, various ideas for expediting the collection of the liens were suggested.

The DOF is serious about collecting these liens, and although their proposals for collection are nothing more than ideas at this time, the Department advised us that they will be issuing information subpoenas to underwriters and agents to determine just how much money we hold.

Agents are advised not to treat ECB liens lightly. When taking escrows to omit the liens, keeping in mind that the interest rate is 9% per year.

If the depositor wishes to dispute or negotiate the liens, and asks us to hold escrow in the interim, we must put a limit on the time we hold the escrow, after which we have the right to pay the liens.

If any agent receives an information subpoena, they must be responded to, but we request that you send a copy to us for our information

All other New York underwriting memos and affidavits may be accessed at the New York section of our Underwriting Library.

<http://wfgunderwriting.com/new-york/>

Please contact underwriting counsel with any questions.

NOTE: The information contained in this Bulletin is intended solely for the use of employees of WFG National Title Insurance Company, its title insurance agents and approved attorneys. Disclosure to any other person is expressly prohibited unless approved in writing by the WFG National Title Insurance Company's Underwriting Department.

The Agent may be held responsible for any loss sustained as a result of the failure to follow the standards set forth above.