

WFG Underwriting Bulletin



To: All New York Policy Issuing Agents of WFG National Title Insurance Company

From: WFG Underwriting Department

Date: June 10, 2020

Bulletin No.: NY 2020-24

Subject: NYC Department of Environmental Protection Changes in Obtaining Water/ Sewer Information

Please be advised that effective immediately the NYC Department of Environmental Protection (DEP) has shutdown access to their computer systems to all third parties, including municipal vendors and title insurance companies. Information to third parties is limited to account numbers and current balance information. In order to obtain a more complete water and sewer history, the seller will need to request a "Title Read" letter at least 30 days prior to closing at a cost of \$25.00. The importance of a Title Read letter cannot be underestimated, as it carries with it innocent purchaser protection. Therefore, any errors made by DEP on the "Title Read" will not result in DEP trying to collect any outstanding charges from the new owners, The Title Read letter is valid for 60 days.

As a result, in the absence of a "Title Read" letter, **the following exception MUST be raised:**

Due to a recent change in NYC Department of Environmental Protection ("DEP") policies, access to prior water and sewer records/charges are extremely limited. Policy will except any loss resulting from the imposition of prior outstanding water/sewer charges should a current title read letter from NYC DEP not be produced at the closing.

For your convenience please be advised that the pertinent part of the new regulations are set forth below:

Section 3. Title Read Letter

A. Customers meeting the conditions of this Section may request and receive a Title Read Letter.

1. Prior to the date of the property transfer, a Title Read must have been requested by any of: (a) email sent to TitleReadRequests@dep.nyc.gov; (b) in person at a borough office of BCS; (c) by telephone to the BCS call center; or (d) by mail to DEP/BCS Customer Service, P.O. Box 739055, Elmhurst, NY 11373-9055;
2. The property transfer must be an arm's length transaction as indicated on the real property transfer tax form;
3. DEP will assess a \$25 Title Read Fee to the property;

4. DEP will review all accounts associated with the property, adjust the bills if applicable, and issue a Title Read Letter within 30 days after the receipt of a Title Read request, or, if applicable, within 10 days after the field inspection is completed;
5. The amount shown on a Title Read Letter shall remain on the account until paid;
6. Provided that the property transfer is an arm's length transaction, DEP will not later adjust charges on an account upward for any applicable period prior to the issuance of a Title Read Letter;
7. The provisions of this section shall not apply where the culpable conduct of the Customer prevents or impedes DEP from securing a meter reading or inspection of the property.
8. A Title Read Letter that is properly requested and issued pursuant to this Section shall remain in effect for 60 days following the date of its issuance.

B. Customers who request a Title Read Letter after the date of the property transfer will receive an Off-Cycle Reconciliation Letter.

1. DEP will assess a \$25 Off-Cycle Read Fee to the property;
2. DEP will review all accounts associated with the property, adjust the bills if applicable, and issue an Off-Cycle Reconciliation Letter within 30 days after the receipt of an Off-Cycle bill request or, if applicable, 10 days after the field inspection is completed;
3. The amount shown on an Off-Cycle Reconciliation Letter shall remain on the account until paid;
4. DEP may later adjust charges on an account, upward or downward, for any applicable period prior to the issuance of an Off-Cycle Reconciliation Letter, in accordance with the terms and provisions of the Rate Schedule and the policies and procedures of DEP;
5. The provisions of this section shall not apply where the culpable conduct of the Customer prevents or impedes DEP from securing a meter reading or inspection of the property.

As always, please feel free to contact the Underwriting team if you have 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.