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January 25, 2008

The Honorable Bill Richardson, Governor  
Office of the Governor  
490 Old Santa Fe Trail, Room 400  
Santa Fe, New Mexico 87501

Subject: Title Insurance Reform

Dear Governor Richardson:

I served as the New Mexico Superintendent of Insurance from 1999-2001, and in that role I regulated and became very knowledgeable about title insurance in New Mexico. Based on my experience, I strongly urge you to reconsider your decision against placing title insurance on the call this session, as reform cannot come soon enough for home buying families in New Mexico.

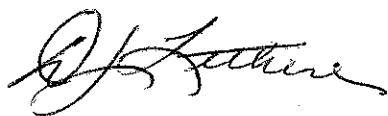
Our current law is abusive to the consumer in New Mexico. By making price competition among title insurers illegal, New Mexico law violates basic free market principles. No other line of insurance sold in New Mexico enjoys a state sanctioned monopoly price fixing arrangement.

Incidentally, the hearings at which the price is fixed cost approximately a half of a million dollars this year in order to pay all of the experts and lawyers. (When I was the Superintendent, it was about half that amount.)

The loss ratio for the multi-billion, multi-national corporations that underwrite title insurance in New Mexico is in the neighborhood of four to five percent while property and casualty losses average 85% plus. This is simply not right, and I do not understand why resolution of this issue needs to be postponed any longer.

I appreciate all you have done for this state and I would suggest that if you could reform this industry along the lines proposed by Think New Mexico, you would have the gratitude of every homebuyer in New Mexico.

Sincerely,



Donald J. Letherer  
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Cc: James X. Jimenez, Chief of Staff