



Department of Justice

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**JUSTICE DEPARTMENT AND FTC URGE MASSACHUSETTS LEGISLATURE TO
ALLOW NONLAWYERS TO COMPETE WITH LAWYERS
FOR REAL ESTATE CLOSING SERVICES**

WASHINGTON, D.C. -- The Department of Justice and the Federal Trade Commission (FTC) announced today that a letter has been sent urging the Massachusetts House of Representatives to adopt a bill that would enable nonlawyers to compete with lawyers to perform certain real estate closing services. According to the agencies, competition is likely to lower prices and enable consumers to receive better services.

The bill, HB 180, would amend the General Laws of Massachusetts to authorize nonlawyers to perform real estate closing services, such as drafting deeds, mortgages, leases and agreements; examining titles; issuing title certification or policies of title insurance; and representing lenders as their closing agents.

"The bill likely will lower prices for real estate closings for Massachusetts consumers in two ways," said R. Hewitt Pate, Assistant Attorney General in charge of the Justice Department's Antitrust Division. "First, consumers will be able to choose to use a nonlawyer instead of an attorney for their closings. Historically, lawyers charge more than lay providers. Second, with competition from nonlawyers, lawyers' fees are likely to decrease."

"As the staff's analysis shows, HB 180 is likely to benefit consumers in Massachusetts by encouraging competition that leads to lower prices, more convenient services, and the option to use Internet-based loan services," noted FTC Chairman Deborah P. Majoras.

The letter also pointed to state supreme court decisions and scholarly studies indicating that consumers are not likely to face additional risk of harm from nonlawyer closings.

Copies of the documents mentioned in this release are available from the Department of Justice and the Federal Trade Commission. The Department of Justice's website is <http://www.usdoj.gov/atr>; the Federal Trade Commission's website is <http://www.ftc.gov>. For more information on the letter at the Department of Justice, contact Renata B. Hesse, Chief of the Networks and Technology Section, at 202/307-6200. For more information on the letter at the Federal Trade Commission, contact Maureen Ohlhausen, Acting Director of the Office of Policy Planning, at 202/326-2632.

Paper copies of the documents are also available from the Justice Department's Antitrust Documents Group and the Federal Trade Commission's Consumer Response Center. The Justice Department's Antitrust Documents Group can be contacted by phone: 202/514-2481, fax: 202/514-3763, or e-mail: atrdocs.grp@usdoj.gov. The Federal Trade Commission's Consumer Response Center can be contacted at Room 130, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. Call toll-free: 1-877-FTC-HELP.

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