

By the Committee on Banking and Insurance; and Senator Richter

597-01291-16

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1 A bill to be entitled
2 An act relating to title insurance; amending s.
3 627.778, F.S.; increasing a title insurer's limit of
4 risk from one-half of its surplus as to policyholders
5 to the entirety of its surplus; revising an exception
6 to the limit; providing an effective date.

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8 Be It Enacted by the Legislature of the State of Florida:

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10 Section 1. Paragraph (a) of subsection (1) of section
11 627.778, Florida Statutes, is amended to read:

12 627.778 Limit of risk.—

13 (1)(a) A title insurer may not issue any contract of title
14 insurance, either as a primary insurer or as a coinsurer or
15 reinsurer, upon an estate, lien, or interest in property located
16 in this state unless:

17 1. The contract shows on its face the dollar amount of the
18 risk assumed; and

19 2. The dollar amount of the risk assumed does not exceed
20 ~~one-half of~~ its surplus as to policyholders, unless the excess
21 is simultaneously reinsured in one or more authorized ~~approved~~
22 insurers or one or more reinsurers that may provide reinsurance
23 under s. 624.610.

24 Section 2. This act shall take effect July 1, 2016.