

By Senator Campbell

25-1182-98

1 A bill to be entitled
2 An act relating to title insurance; amending s.
3 624.509, F.S.; deleting a tax on risk premiums
4 for title insurance; amending s. 626.841, F.S.;
5 modifying the definition of title insurance
6 agent and title insurance agency; amending s.
7 626.8473, F.S.; authorizing title insurance
8 agencies to engage in business as an escrow
9 agent; amending s. 626.9541, F.S.; providing
10 that, for purposes of determining unlawful
11 rebates, both the title insurance agent's and
12 the title insurer's share of the premium is
13 considered a charge made incident to the
14 issuance of such insurance; amending s.
15 627.7711, F.S.; providing a definition;
16 amending s. 627.777, F.S.; providing for
17 approval of forms; amending s. 627.7773, F.S.;
18 providing an exception from accounting for
19 outstanding forms; amending s. 627.780, F.S.;
20 eliminating risk premium from the type of
21 premium that may be charged for title
22 insurance; amending s. 627.782, F.S.; providing
23 for adoption of rates; amending s. 627.783,
24 F.S.; conforming provisions; amending s.
25 627.784, F.S.; providing that a title insurance
26 policy may not be issued without regard to the
27 possible existence of adverse matters or
28 defects of title; amending s. 627.7841, F.S.;
29 deleting binder commitments; amending s.
30 627.7845, F.S.; deleting binder and guarantee
31 of title insurance; amending s. 627.786, F.S.;

1 deleting guarantee of title insurance; amending
2 s. 627.791, F.S.; deleting binder and guarantee
3 of title insurance; amending s. 627.792, F.S.;
4 providing liability of title insurers for
5 defalcation by title insurance agents and
6 agencies; deleting binder and guarantee of
7 title insurance; repealing s. 627.7831, F.S.;
8 relating to title binders and commitments;
9 providing an effective date.

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

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13 Section 1. Subsection (1) of section 624.509, Florida
14 Statutes, is amended to read:

15 624.509 Premium tax; rate and computation.--

16 (1) In addition to the license taxes provided for in
17 this chapter, each insurer shall also annually, and on or
18 before March 1 in each year, except as to wet marine and
19 transportation insurance taxed under s. 624.510, pay to the
20 Department of Revenue a tax on insurance premiums, ~~risk~~
21 premiums for title insurance, or assessments, including
22 membership fees and policy fees and gross deposits received
23 from subscribers to reciprocal or interinsurance agreements,
24 and on annuity premiums or considerations, received during the
25 preceding calendar year, the amounts thereof to be determined
26 as set forth in this section, to wit:

27 (a) An amount equal to 1.75 percent of the gross
28 amount of such receipts on account of life and health
29 insurance policies covering persons resident in this state and
30 on account of all other types of policies and contracts
31 (except annuity policies or contracts taxable under paragraph

1 (b)) covering property, subjects, or risks located, resident,
2 or to be performed in this state, omitting premiums on
3 reinsurance accepted, and less return premiums or assessments,
4 but without deductions:

5 1. For reinsurance ceded to other insurers;

6 2. For moneys paid upon surrender of policies or
7 certificates for cash surrender value;

8 3. For discounts or refunds for direct or prompt
9 payment of premiums or assessments; and

10 4. On account of dividends of any nature or amount
11 paid and credited or allowed to holders of insurance policies;
12 certificates; or surety, indemnity, reciprocal, or
13 interinsurance contracts or agreements; and

14 (b) An amount equal to 1 percent of the gross receipts
15 on annuity policies or contracts paid by holders thereof in
16 this state.

17 Section 2. Section 626.841, Florida Statutes, is
18 amended to read:

19 626.841 Definitions.--The term:

20 (1) "Title insurance agent" means a person appointed
21 in writing by a title insurer to issue and countersign
22 binders, commitments, policies of title insurance, ~~or~~
23 ~~guarantees of title~~ in its behalf.

24 (2) "Title insurance agency" means an insurance agency
25 under which title insurance agents and other employees
26 determine insurability in accordance with underwriting rules
27 and standards prescribed by the title insurer represented by
28 the agency, and issue and countersign ~~binders, commitments of~~
29 ~~title insurance, endorsements, or policies of title insurance~~
30 ~~guarantees of title~~, on behalf of the appointing title
31 insurer. The term does not include a title insurer.

1 Section 3. Section 626.8473, Florida Statutes, is
2 amended to read:

3 626.8473 Escrow; trust fund.--

4 (1) A title insurance agency or agent may engage in
5 business as an escrow agent as to funds received from others
6 to be subsequently disbursed by the title insurance agency or
7 agent in connection with real estate closing transactions
8 involving the issuance of title insurance ~~binders,~~
9 ~~commitments,~~ or policies of title insurance, or guarantees of
10 ~~title,~~ provided that a licensed and appointed title insurance
11 agent complies with the requirements of s. 626.8417, and a
12 licensed agency complies with the requirements of s. 626.8418,
13 including such requirements added after the initial licensure
14 of the agency or agent.

15 (2) All funds received by a title insurance agency or
16 agent as described in subsection (1) shall be trust funds
17 received in a fiduciary capacity by the title insurance agent
18 and shall be the property of the person or persons entitled
19 thereto.

20 (3) All funds received by a title insurance agent to
21 be held in trust shall be immediately placed in an escrow
22 ~~trust~~ account in a financial institution insured by an agency
23 of the federal government and located within this state, where
24 the funds shall be kept until disbursement thereof is properly
25 authorized.

26 (4) Funds required to be maintained in escrow ~~trust~~
27 accounts pursuant to this section shall not be subject to any
28 debts of the title insurance agency or agent and shall be used
29 only in accordance with the terms of the individual, escrow,
30 settlement, or closing instructions under which the funds were
31 accepted.

1 (5) The title insurance agency or agents shall
2 maintain separate records of all receipts and disbursements of
3 escrow, settlement, or closing funds.

4 (6) In the event that the department promulgates rules
5 necessary to implement the requirements of this section
6 pursuant to s. 624.308, the department shall consider
7 reasonable standards necessary for the protection of funds
8 held in trust, including, but not limited to, standards for
9 accounting of funds, standards for receipt and disbursement of
10 funds, and protection for the person or persons to whom the
11 funds are to be disbursed.

12 (7) A title insurance agency or agent, or any officer,
13 director, or employee thereof, or any person associated
14 therewith as an independent contractor for bookkeeping or
15 similar purposes, who converts or misappropriates funds
16 received or held in escrow or in trust by such title insurance
17 agency or agent, or any person who knowingly receives or
18 conspires to receive such funds, commits:

19 (a) If the funds converted or misappropriated are \$300
20 or less, a misdemeanor of the first degree, punishable as
21 provided in s. 775.082 or s. 775.083.

22 (b) If the funds converted or misappropriated are more
23 than \$300, but less than \$20,000, a felony of the third
24 degree, punishable as provided in s. 775.082, s. 775.083, or
25 s. 775.084.

26 (c) If the funds converted or misappropriated are
27 \$20,000 or more, but less than \$100,000, a felony of the
28 second degree, punishable as provided in s. 775.082, s.
29 775.083, or s. 775.084.

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1 (d) If the funds converted or misappropriated are
2 \$100,000 or more, a felony of the first degree, punishable as
3 provided in s. 775.082, s. 775.083, or s. 775.084.

4 Section 4. Paragraph (h) of subsection (1) of section
5 626.9541, Florida Statutes, is amended to read:

6 626.9541 Unfair methods of competition and unfair or
7 deceptive acts or practices defined.--

8 (1) UNFAIR METHODS OF COMPETITION AND UNFAIR OR
9 DECEPTIVE ACTS.--The following are defined as unfair methods
10 of competition and unfair or deceptive acts or practices:

11 (h) Unlawful rebates.--

12 1. Except as otherwise expressly provided by law, or
13 in an applicable filing with the department, knowingly:

14 a. Permitting, or offering to make, or making, any
15 contract or agreement as to such contract other than as
16 plainly expressed in the insurance contract issued thereon;

17 b. Paying, allowing, or giving, or offering to pay,
18 allow, or give, directly or indirectly, as inducement to such
19 insurance contract, any unlawful rebate of premiums payable on
20 the contract, any special favor or advantage in the dividends
21 or other benefits thereon, or any valuable consideration or
22 inducement whatever not specified in the contract;

23 c. Giving, selling, or purchasing, or offering to
24 give, sell, or purchase, as inducement to such insurance
25 contract or in connection therewith, any stocks, bonds, or
26 other securities of any insurance company or other
27 corporation, association, or partnership, or any dividends or
28 profits accrued thereon, or anything of value whatsoever not
29 specified in the insurance contract.

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1 2. Nothing in paragraph (g) or subparagraph 1. of this
2 paragraph shall be construed as including within the
3 definition of discrimination or unlawful rebates:

4 a. In the case of any contract of life insurance or
5 life annuity, paying bonuses to all policyholders or otherwise
6 abating their premiums in whole or in part out of surplus
7 accumulated from nonparticipating insurance; provided that any
8 such bonuses or abatement of premiums is fair and equitable to
9 all policyholders and for the best interests of the company
10 and its policyholders.

11 b. In the case of life insurance policies issued on
12 the industrial debit plan, making allowance to policyholders
13 who have continuously for a specified period made premium
14 payments directly to an office of the insurer in an amount
15 which fairly represents the saving in collection expenses.

16 c. Readjustment of the rate of premium for a group
17 insurance policy based on the loss or expense thereunder, at
18 the end of the first or any subsequent policy year of
19 insurance thereunder, which may be made retroactive only for
20 such policy year.

21 d. Issuance of life insurance policies or annuity
22 contracts at rates less than the usual rates of premiums for
23 such policies or contracts, as group insurance or employee
24 insurance as defined in this code.

25 e. Issuing life or disability insurance policies on a
26 salary savings, bank draft, preauthorized check, payroll
27 deduction, or other similar plan at a reduced rate reasonably
28 related to the savings made by the use of such plan.

29 3.a. No title insurer, or any member, employee,
30 attorney, agent, or solicitor thereof, shall pay, allow, or
31 give, or offer to pay, allow, or give, directly or indirectly,

1 as inducement to title insurance, or after such insurance has
2 been effected, any unlawful rebate or abatement of the charge
3 made incident to the issuance of such insurance, any special
4 favor or advantage, or any monetary consideration or
5 inducement whatever. The words "charge made incident to the
6 issuance of such insurance" shall be construed to encompass
7 both underwriting premium, agent's and title insurer's share
8 of premium, title information commission, abstracting charges,
9 title examination fee, and closing charges; however, nothing
10 herein contained shall preclude an abatement in an attorney's
11 fee charged for services rendered incident to the issuance of
12 such insurance.

13 b. Nothing in this subparagraph shall be construed as
14 prohibiting the payment of fees to attorneys at law duly
15 licensed to practice law in the courts of this state, for
16 professional services ~~in the actual examination of title to~~
17 ~~real property as a condition to the issuance of title~~
18 insurance, or as prohibiting the payment of earned portions of
19 the premium commissions to duly appointed agents who actually
20 perform services ~~issue the policy of title insurance~~ for the
21 title insurer ~~underwriting company~~.

22 c. No insured named in a policy, or any other person
23 directly or indirectly connected with the transaction
24 involving the issuance of such policy, including, but not
25 limited to, any mortgage broker, real estate broker, builder,
26 or attorney, any employee, agent, representative, or solicitor
27 thereof, or any other person whatsoever, shall knowingly
28 receive or accept, directly or indirectly, any unlawful rebate
29 or abatement of said charge, or any monetary consideration or
30 inducement, other than as set forth in sub-subparagraph b.

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1 Section 5. Section 627.7711, Florida Statutes, is
2 amended to read:

3 627.7711 Definitions.--As used in this part, the term:

4 (1) "Primary title services" means the examination of
5 the title information to determine insurability; the
6 preparation and issuance of a title insurance commitment
7 setting forth the requirements to insure; clearing or
8 approving clearance of the requirements to insure; and
9 preparation and issuance of the policy.

10 ~~(2)(1)~~ "Related title services" means services
11 performed by a title insurer or title insurance agent,
12 including, but not limited to, preparing or obtaining title
13 information, preparing documents necessary to close the
14 transaction, conducting the closing, or handling the
15 disbursing of funds related to the closing in a real estate
16 closing transaction in which a title insurance ~~binder,~~
17 ~~commitment,~~ or policy is to be issued. The risk premium,
18 together with the charge for related title services,
19 constitutes the regular title insurance premium.

20 ~~(3)(2)~~ "Risk Premium" means the charge, as specified
21 by rule of the department, that is made by a title insurer for
22 issuing a title insurance policy and includes the charge for
23 performance of primary title services by a title insurer or
24 title insurance agent and incurring the risks incident thereto
25 ~~the assumption of the risk,~~ under the several classifications
26 of title insurance contracts and forms, and upon which charge
27 a premium tax is paid under s. 624.509. ~~As used in this part~~
28 ~~or in any other law, with respect to title insurance, the~~
29 ~~words "premium" or "risk premium" mean only the risk premium~~
30 ~~as defined in this section and do not include any other charge~~
31 ~~incidental to title insurance.~~

1 ~~(4)(3)~~ "Title insurer" means any domestic company
2 organized and authorized to do business under the provisions
3 of chapter 624, for the purpose of issuing title insurance, or
4 any insurer organized under the laws of another state, the
5 District of Columbia, or a foreign country and holding a
6 certificate of authority to transact business in this state,
7 for the purpose of issuing title insurance.

8 Section 6. Section 627.777, Florida Statutes, is
9 amended to read:

10 627.777 Approval of forms.--A title insurer may not
11 issue or agree to issue any form ~~of title insurance binder,~~
12 title insurance commitment, ~~preliminary report,~~ title
13 insurance policy, other contract of title insurance, or
14 related form until it is filed with and approved by the
15 department. The department may not disapprove a title
16 guarantee or policy form on the ground that it has on it a
17 blank form for an attorney's opinion on the title.

18 Section 7. Section 627.7773, Florida Statutes, is
19 amended to read:

20 627.7773 Accounting and auditing of forms by title
21 insurers.--

22 (1) Each title insurer authorized to do business in
23 this state shall, at least once during each calendar year,
24 require of each of its title insurance agents accountings of
25 all outstanding forms in the agent's possession of the types
26 that are specified in s. 627.777, except title insurance
27 commitments.

28 (2) If the department has reason to believe that an
29 audit of outstanding forms should be required of any title
30 insurer as to a title insurance agent, the department may
31 require the title insurer to make a special audit of the

1 forms. The title insurer shall complete the audit not later
2 than 60 days after the request is received from the
3 department, and shall report the results of the special audit
4 to the department no later than 90 days after the request is
5 received.

6 Section 8. Section 627.780, Florida Statutes, is
7 amended to read:

8 627.780 Illegal dealings in risk premium.--

9 (1) A person may not knowingly quote, charge, accept,
10 collect, or receive a ~~risk~~ premium for title insurance other
11 than the ~~risk~~ premium adopted by the department.

12 (2) A title insurer may not knowingly accept, collect,
13 or receive any sum as ~~risk~~ premium for title insurance, if the
14 title insurance is not then provided or is not to be provided,
15 subject to acceptance of the risk, in due course, unless the
16 title insurer promptly enters the sum on its books of account
17 as premium collected in advance.

18 Section 9. Section 627.782, Florida Statutes, is
19 amended to read:

20 627.782 Adoption of rates.--

21 (1) Subject to the rating provisions of this code, the
22 department must adopt a rule specifying the ~~risk~~ premium to be
23 charged in this state by insurers for the respective types of
24 title insurance contracts and for, policies issued through
25 agents, the percentage thereof required to be retained by the
26 title insurer, which must not be less than 30 percent,
27 provided that:

28 (a) In a transaction that is subject to the Real
29 Estate Settlement Procedures Act of 1974, 12 U.S.C. s. 2601 et
30 seq., as amended, no portion of the premium attributable to
31 providing a primary title service may be paid to or retained

1 by any person who does not actually perform or is not liable
2 for the performance of such service; and

3 (b) In a transaction that is not subject to the Real
4 Estate Settlement Procedures Act, when a title insurer
5 performs for its agent the examination of the title
6 information and determines insurability, the title insurer
7 shall retain not less than 40 percent of the premium.~~services~~
8 ~~incident thereto. The department may, by rule, establish~~
9 ~~limitations on such reasonable charges made in addition to the~~
10 ~~risk premium based upon the expenses associated with the~~
11 ~~services rendered and other relevant factors. The department~~
12 ~~must also adopt rules incident to the applicability of the~~
13 ~~risk premium, including the percentage or amount of the risk~~
14 ~~premium required to be maintained by the title insurer, and~~
15 ~~related rules to ensure that the amounts required to be~~
16 ~~maintained by the insurer are not less than 30 percent of the~~
17 ~~risk premium for policies sold by agents.~~

18 (2) In adopting premium rates, the department must
19 give due consideration to the following:

20 (a) The insurers' loss experience and prospective loss
21 experience under insured closing service letters, search and
22 examination services, and policy liabilities.

23 (b) A reasonable margin for underwriting profit and
24 contingencies, including contingent liability under s.
25 627.7865, sufficient to allow insurers ~~and agents~~ to earn a
26 rate of return on their capital, and agents to earn a
27 reasonable profit, that will attract and retain adequate
28 capital investment in the title insurance business.

29 (c) Past expenses and prospective expenses for
30 administration and handling of risks.

31 (d) Liability for defalcation.

1 (e) Other relevant factors.

2 (3) Rates may be grouped by classification or schedule
3 and may differ as to class of risk assumed.

4 (4) Rates may not be excessive, inadequate, or
5 unfairly discriminatory.

6 (5) The ~~risk~~ premium applies to each \$100 of insurance
7 issued to an insured.

8 (6) The risk premium rates apply throughout this
9 state.

10 (7) The department shall, in accordance with the
11 standards provided in subsection (2), review the ~~risk~~ premium
12 ~~and the related title services rate~~ as needed, but not less
13 frequently than once every 3 years, and shall, based upon the
14 review required by this subsection, revise the ~~risk~~ premium
15 ~~and the related title services rate~~ if the results of the
16 review so warrant.

17 (8) The department may, by rule, require licensees
18 under this part to annually submit statistical information,
19 including loss and expense data, as the department determines
20 to be necessary to analyze ~~risk~~ premium ~~and related title~~
21 ~~services~~ rates, retention rates, and the condition of the
22 title insurance industry.

23 Section 10. Section 627.783, Florida Statutes, is
24 amended to read:

25 627.783 Rate deviation.--

26 (1) A title insurer may petition the department for an
27 order authorizing a specific deviation from the adopted ~~risk~~
28 premium, and a title insurer or title insurance agent may
29 petition the department for an order authorizing and
30 permitting a specific deviation above the reasonable charge
31 for other services rendered specified in s. 627.782(1). The

1 petition shall be in writing and sworn to and shall set forth
2 allegations of fact upon which the petitioner will rely,
3 including the petitioner's reasons for requesting the
4 deviation. Any authorized title insurer or agent may join in
5 the petition for like authority to deviate or may file a
6 separate petition praying for like authority or opposing the
7 deviation. The department shall rule on all such petitions
8 simultaneously.

9 (2) If, in the judgment of the department, the
10 requested deviation is not justified, the department may enter
11 an order denying the petition. An order granting a petition
12 constitutes an amendment to the adopted ~~risk~~ premium, and is
13 subject to s. 627.782.

14 Section 11. Section 627.784, Florida Statutes, is
15 amended to read:

16 627.784 Casualty title insurance prohibited.--A title
17 insurance policy ~~or guarantee of title~~ may not be issued
18 without regard ~~with disregard~~ to the possible existence of
19 adverse matters or defects of title.

20 Section 12. Section 627.7841, Florida Statutes, is
21 amended to read:

22 627.7841 Insurance against adverse matters or defects
23 in the title.--If a title insurer issuing a ~~binder,~~
24 commitment, policy of title insurance, or guarantee of title
25 upon an estate, lien, or interest in property located in this
26 state through its officers, employees, or agents disburses
27 settlement or closing funds, the title insurer shall insure
28 against the possible existence of adverse matters or defects
29 in the title which are recorded during the period of time
30 between the effective date of the ~~binder or~~ commitment and the
31 date of recording of the document creating the estate or

1 interest to be insured, except as to matters of which the
2 insured has knowledge.

3 Section 13. Section 627.7845, Florida Statutes, is
4 amended to read:

5 627.7845 Determination of insurability required;
6 preservation of evidence of title search and examination.--

7 (1) A title insurer may not issue a title insurance
8 ~~binder, commitment, endorsement, or~~ title insurance policy, ~~or~~
9 ~~guarantee of title~~ until the title insurer has caused to be
10 conducted a reasonable search and examination of the title and
11 of such other information as may be necessary, and has caused
12 to be made a determination of insurability of title, including
13 endorsement coverages, in accordance with sound underwriting
14 practices.

15 (2) The title insurer shall cause the evidence of the
16 reasonable search and examination of the title to be preserved
17 and retained in its files or in the files of its title
18 insurance agent for a period of not less than 7 years after
19 the title insurance ~~binder, commitment, or~~ title insurance
20 ~~policy, or guarantee of title~~ was issued. The title insurer
21 or agent must produce the evidence required to be maintained
22 by this subsection at its offices upon the demand of the
23 department. Instead of retaining the original evidence, the
24 title insurer or the title insurance agent may, in the regular
25 course of business, establish a system under which all or part
26 of the evidence is recorded, copied, or reproduced by any
27 photographic, photostatic, microfilm, microcard, miniature
28 photographic, or other process which accurately reproduces or
29 forms a durable medium for reproducing the original.

30 (3) The title insurer or its agent must maintain a
31 record of the actual risk premium and related title service

1 charges made for issuance of the policy and any endorsements
2 in its files for a period of not less than 7 years. The
3 insurer or agent must produce the record at its office upon
4 demand of the department.

5 (4) This section does not apply to an insurer assuming
6 no primary liability in a contract of reinsurance or to an
7 insurer acting as a coinsurer if any other coinsuring insurer
8 has complied with this section.

9 Section 14. Section 627.786, Florida Statutes, is
10 amended to read:

11 627.786 Transaction of title insurance and any other
12 kind of insurance prohibited.--

13 (1) An insurer may not transact title insurance and
14 any other kind of insurance in this state.

15 (2) Subsection (1) does not apply to any insurer
16 actively transacting title insurance and any other kind of
17 insurance in this state on January 1, 1965.

18 (3) Subsection (1) does not preclude a title insurer
19 from providing instruments to any prospective insured, in the
20 form and content approved by the department, under which the
21 title insurer assumes liability for loss due to the fraud of,
22 dishonesty of, misappropriation of funds by, or failure to
23 comply with written closing instructions by, its contract
24 agents or approved attorneys in connection with a real
25 property transaction for which the title insurer is to issue a
26 title insurance policy ~~or guarantee of title~~.

27 Section 15. Section 627.791, Florida Statutes, is
28 amended to read:

29 627.791 Penalties against title insurers for
30 violations by persons or entities not licensed.--A title
31 insurer is subject to the penalties in ss. 624.418(2) and

1 624.4211 for any violation of a lawful order or rule of the
2 department, or for any violation of this code, committed by:

3 (1) A person, firm, association, corporation,
4 cooperative, joint-stock company, or other legal entity not
5 licensed under this part when issuing and countersigning
6 ~~binders, commitments, or~~ policies of title insurance, ~~or~~
7 ~~guarantees of title~~ on behalf of the title insurer.

8 (2) An attorney when issuing and countersigning
9 ~~binders, commitments, or~~ policies of title insurance, ~~or~~
10 ~~guarantees of title~~ on behalf of the title insurer.

11 Section 16. Section 627.792, Florida Statutes, is
12 amended to read:

13 627.792 Liability of title insurers for defalcation by
14 title insurance agents and agencies.--A title insurer is
15 liable for the defalcation, conversion, or misappropriation by
16 a ~~licensed~~ title insurance agency or agent of funds held in
17 trust by the agency or agent pursuant to s. 626.8473. If the
18 agency or agent is an agency or agent for licensed by two or
19 more title insurers, any liability shall be borne by the
20 insurer upon which a title insurance ~~binder, commitment or,~~
21 ~~policy, or title guarantee~~ was issued prior to the illegal
22 act. If no ~~binder, commitment or, policy, or guarantee~~ was
23 issued, each title insurer represented by the agent at the
24 time of the illegal act shares in the liability in the same
25 proportion that the premium remitted to it by the agency or
26 agent during the 1-year period before the illegal act bears to
27 the total premium remitted to all title insurers by the agency
28 or agent during the same time period.

29 Section 17. Section 627.7831, Florida Statutes, is
30 repealed.

31 Section 18. This act shall take effect July 1, 1998.

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SENATE SUMMARY

Amends various provisions of the Florida Insurance Code relating to title insurance. Modifies the definition of title insurance agent and title insurance agency. Authorizes title insurance agencies to engage in business as an escrow agent. Provides that for purposes of determining unlawful rebates, both the title insurance agent's and the title insurer's share of the premium is considered a charge made incident to the issuance of such insurance. Eliminates risk premium from the type of premium that may be charged for title insurance. Deletes title insurance binder or a commitment to insure a title or risk and guarantee of title insurance as types of title insurance in specified circumstances. Provides liability of title insurers for defalcation by title insurance agents and agencies. (See bill for details.)