

By Representative Trovillion

1 A bill to be entitled
2 An act relating to title insurance policy
3 exceptions; amending s. 627.7842, F.S.;
4 providing construction; limiting the use of
5 certain surveys and affidavits for certain
6 title policy purposes; deleting a seller's
7 affidavit provision relating to persons in
8 possession or claiming possession of certain
9 property; requiring the Department of Insurance
10 to adopt, revise, or amend certain rules;
11 providing an effective date.

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

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15 Section 1. Section 627.7842, Florida Statutes, is
16 amended to read:

17 627.7842 Policy exceptions.--

18 (1)(a) If a survey meeting the minimum technical
19 standards for surveying required by the Department of Business
20 and Professional Regulation and certified to the title insurer
21 by a registered Florida surveyor has been completed on the
22 property within 90 days before the date of closing, the title
23 policy may only except from coverage the encroachments,
24 overlays, boundary line disputes, and other matters which are
25 actually shown on the survey. For purposes of this paragraph,
26 a survey which uses or is based upon any part of the results
27 of any other survey on such property or on any property
28 abutting such property is not a survey which meets the minimum
29 technical standards for surveying required by the Department
30 of Business and Professional Regulation and a title policy may
31 not make any exceptions from coverage otherwise authorized

1 under this paragraph based upon such survey. Notwithstanding
2 this or any other provision of law, no affidavit or document
3 other than a survey meeting the minimum technical standards
4 for surveying required by the Department of Business and
5 Professional Regulation, or a survey meeting the current
6 standards adopted by the American Land Title Association and
7 the American Congress of Surveying and Mapping, may be used in
8 lieu of or as a substitute for such survey for title insurance
9 policy purposes.

10 ~~(b) If at closing the seller signs an affidavit~~
11 ~~swearing that there is no person in possession of the property~~
12 ~~or with a claim of possession to the property except the~~
13 ~~seller, the title policy may not exclude from coverage rights~~
14 ~~or claims of parties in possession not shown by the public~~
15 ~~records.~~

16 (b)(c) If at closing the seller signs an affidavit
17 swearing that no improvements have been made to the property
18 within the past 90 days for which payment has not been made in
19 full, the title policy may not except from coverage any lien
20 or right to a lien for services, labor, or material furnished
21 which is imposed by law and not shown by the public record. An
22 affidavit executed under this paragraph with respect to a time
23 period greater than 90 days before a date of closing on a
24 conveyance of real property is invalid. No title policy may
25 make any exceptions from coverage under this paragraph on the
26 conveyance of any property for which an affidavit is executed
27 under this paragraph with respect to a time period greater
28 than 90 days before the date of closing on the conveyance.

29 (2) The title insurer, agent, or agency issuing the
30 title policy may except from coverage the items specified in
31 subsection (1) if the title insurer, agent, or agency has

1 knowledge of facts requiring the exceptions, notwithstanding
2 the survey or affidavits, if the insurer, agent, or agency
3 discloses such facts, in writing, to the proposed insured.

4 (3) The department shall adopt any rule necessary to
5 implement this section and shall revise or amend any rule
6 which is in conflict with this section to comply with this
7 section.

8 Section 2. This act shall take effect October 1, 2000.

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11 HOUSE SUMMARY

12 Limits the use of specified surveys or affidavits for
13 purposes of title insurance policy exceptions.

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