



HB 1193

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A bill to be entitled  
An act relating to title insurance; amending s. 624.608, F.S.; excluding certain casualty insurance from the definition of title insurance; amending s. 627.784, F.S.; deleting a reference to guarantee of title in a prohibition against issuing title insurance under certain circumstances; amending s. 627.786, F.S.; authorizing title insurers to issue certain policies or certificates insuring a lien securing certain loans or mortgages under certain circumstances; providing an effective date.

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

Section 1. Section 624.608, Florida Statutes, is amended to read:

624.608 "Title insurance" defined.--

(1) "Title insurance" is insurance of owners of real property or others having an interest in real property or contractual interest derived therefrom, or liens or encumbrances on real property, against loss by encumbrance, or defective titles, or invalidity, or adverse claim to title.

(2) "Title insurance" does not include casualty insurance coverage issued to and paid for by a financial institution to insure any lien interest of the institution in real property that secures a home equity loan or junior mortgage.

Section 2. Section 627.784, Florida Statutes, is amended to read:

627.784 Casualty title insurance prohibited.--A title insurance policy ~~or guarantee of title~~ may not be issued without



HB 1193

2003

30 regard to the possible existence of adverse matters or defects  
31 of title.

32 Section 3. Subsection (4) is added to section 627.786,  
33 Florida Statutes, to read:

34 627.786 Transaction of title insurance and any other kind  
35 of insurance prohibited.--

36 (4) Subsection (1) does not preclude a title insurer from  
37 issuing to a financial institution a casualty insurance policy  
38 or certificate insuring its lien interest in real property that  
39 secures a home equity loan or junior mortgage provided that the  
40 financial institution pays for the insurance and does not pass  
41 the cost to the consumer.

42 Section 4. This act shall take effect upon becoming a law.