

By Senator Diaz de la Portilla

36-1276A-03

See HB 1193

1 A bill to be entitled
2 An act relating to title insurance; amending s.
3 624.608, F.S.; excluding certain casualty
4 insurance from the definition of title
5 insurance; amending s. 627.784, F.S.; deleting
6 a reference to guarantee of title in a
7 prohibition against issuing title insurance
8 under certain circumstances; amending s.
9 627.786, F.S.; authorizing title insurers to
10 issue certain policies or certificates insuring
11 a lien securing certain loans or mortgages
12 under certain circumstances; providing an
13 effective date.

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

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

19 624.608 "Title insurance" defined.--

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

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

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

1 627.784 Casualty title insurance prohibited.--A title
2 insurance policy ~~or guarantee of title~~ may not be issued
3 without regard to the possible existence of adverse matters or
4 defects of title.

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

7 627.786 Transaction of title insurance and any other
8 kind of insurance prohibited.--

9 (4) Subsection (1) does not preclude a title insurer
10 from issuing to a financial institution a casualty insurance
11 policy or certificate insuring its lien interest in real
12 property that secures a home equity loan or junior mortgage
13 provided that the financial institution pays for the
14 insurance.

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

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