



384944

585-07536-08

Proposed Committee Substitute by the Committee on Governmental  
Operations

1                   A bill to be entitled

2           An act relating to title insurance; creating the Florida  
3           2008 Title Insurance Study Advisory Council; providing for  
4           membership; providing for administrative support for the  
5           council; providing responsibilities of the council;  
6           authorizing the council to invite independent actuaries to  
7           provide certain information; requiring the Office of  
8           Program Policy Analysis and Government Accountability to  
9           conduct a review and report to the council; providing  
10          council meeting requirements; requiring the council to  
11          file a report with the Governor and the Legislature;  
12          providing for termination of the council; providing an  
13          effective date.

14  
15          WHEREAS, the Legislature finds that a stable and efficient  
16          title insurance delivery system is necessary to promote the  
17          economic well-being of the residents of Florida, and

18          WHEREAS, Florida consumers have a right to effective and  
19          affordable title insurance, and

20          WHEREAS, title insurance is essential to ensure homeowners  
21          and landowners of the safety of real estate transfers in Florida,  
22          and

23          WHEREAS, investors and lienholders require the security  
24          accorded their business interests by a financially stable and  
25          regulated title insurance industry, and

26          WHEREAS, a viable title insurance delivery system requires  
27          efficient and comprehensive state oversight to regulate insurer



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28 and agent solvency, education, licensing, and discipline and the  
29 establishment of nondiscriminatory title insurance rates and  
30 forms, and

31 WHEREAS, it is the express intent of the Legislature to  
32 conduct a comprehensive review of the title insurance industry,  
33 the current regulatory scheme, and the rules affecting the  
34 conduct of the industry, NOW, THEREFORE,

35

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

37

38 Section 1. (1) This act may be cited as the "Florida 2008  
39 Title Insurance Study Advisory Council Act."

40 (2) The purpose of this act is to create an advisory  
41 council to undertake a comprehensive examination of the title  
42 insurance delivery system of this state with the ultimate goal of  
43 making recommendations for legislation to promote a sound and  
44 stable system to promote the safety of real property transfers in  
45 this state.

46 (3) The Florida 2008 Title Insurance Study Advisory Council  
47 is created. The council shall consist of the following 19  
48 members:

49 (a) The Governor or the Governor's designee, who shall  
50 serve as chair of the council.

51 (b) The Chief Financial Officer or the Chief Financial  
52 Officer's designee, who shall serve as vice chair of the council.

53 (c) One member of the Senate appointed by the President of  
54 the Senate.

55 (d) One member of the House of Representatives appointed by  
56 the Speaker of the House of Representatives.

57 (e) The Insurance Consumer Advocate appointed pursuant to



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58 s. 627.0613, Florida Statutes.

59 (f) The Commissioner of Insurance Regulation or the  
60 commissioner's designee.

61 (g) The Secretary of Business and Professional Regulation  
62 or the secretary's designee.

63 (h) Three representatives of title insurers doing business  
64 in the state from four different title insurers, appointed by the  
65 President of the Senate. No more than one representative may be  
66 named from each affiliated group of corporations as defined in s.  
67 624.509(5)(a)2., Florida Statutes. Such appointments may not  
68 overlap with those insurer appointments made under paragraph (i).

69 (i) Four representatives of title insurers doing business  
70 in the state from four different title insurers, appointed by the  
71 Speaker of the House of Representatives. No more than one  
72 representative may be named from each affiliated group of  
73 corporations as defined in s. 624.509(5)(a)2., Florida Statutes.  
74 Such appointments may not overlap with those insurer appointments  
75 made under paragraph (h).

76 (j) Two independent licensed title insurance agents  
77 appointed by the President of the Senate from a list of three  
78 agents submitted by the Florida Land Title Association.

79 (k) One independent licensed title insurance agent  
80 appointed by the Speaker of the House of Representatives from a  
81 list of three agents submitted by the Florida Land Title  
82 Association.

83 (l) Two members of the Real Property, Probate and Trust Law  
84 Section of The Florida Bar who are practicing real estate  
85 attorneys not employed by a title insurer. The designation of  
86 such members shall be made by the Real Property, Probate and  
87 Trust Law Section of The Florida Bar.



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88       (4) The council shall be administratively supported by the  
89 staff of the Executive Office of the Governor. The Department of  
90 Financial Services, the Office of Insurance Regulation, and other  
91 agencies of the state, as well as staff of the applicable  
92 legislative committees, shall supply any information, assistance,  
93 and facilities that are deemed necessary by the council to carry  
94 out its duties.

95       (5) The council shall undertake a comprehensive examination  
96 of the title insurance delivery system in this state and shall  
97 include in its study consideration of:

98           (a) The historical development of the title insurance  
99 industry in this state and its uniqueness among other lines of  
100 insurance.

101           (b) The current regulatory structure under which oversight  
102 responsibility is shared among different state agencies.

103           (c) The adequacy of funds and agency personnel to exercise  
104 regulatory oversight.

105           (d) The adequacy of current mechanisms and expertise to  
106 gather meaningful data to properly evaluate and adopt title  
107 insurance rates.

108           (e) Such other topics as the council deems necessary to  
109 conduct a thorough examination of the title insurance industry.

110       (6) The council, at the direction of the chair, may invite  
111 independent actuaries who have expertise in title insurance to  
112 provide information and appear before the council to aid in  
113 performing its duties. In order to assist the council, the Office  
114 of Program Policy Analysis and Government Accountability shall  
115 conduct an independent review of the historical development of  
116 the title insurance industry in this state and the current  
117 fragmented regulatory framework and shall report its findings to



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118 the council.

119 (7) The council shall hold its initial meeting no later  
120 than August 1, 2008, in Tallahassee. Staff for the council chair  
121 shall schedule and organize the initial meeting. Subsequent  
122 meetings of the council must be held in Tallahassee according to  
123 a schedule developed by the chair.

124 (8) The council shall submit a final report, setting forth  
125 findings and specific legislative recommendations, to the  
126 Governor, the President of the Senate, and the Speaker of the  
127 House of Representatives on or before December 31, 2009. The  
128 council shall terminate after submitting its final report but not  
129 later than December 31, 2009.

130 Section 2. This act shall take effect July 1, 2008.