

HB 937

2008

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; providing council meeting
8 requirements; requiring the council to file a report with
9 the Governor and Legislature; providing for termination of
10 the council; providing an effective date.

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12 WHEREAS, the Legislature finds that a stable and efficient
13 title insurance delivery system is necessary to promote the
14 economic well-being of the citizens of Florida, and

15 WHEREAS, Florida consumers have a right to effective and
16 affordable title insurance, and

17 WHEREAS, title insurance is essential to ensure homeowners
18 and landowners of the safety of real estate transfers in
19 Florida, and

20 WHEREAS, investors and lienholders require the security
21 accorded their business interests by a financially stable and
22 regulated title insurance industry, and

23 WHEREAS, a viable title insurance delivery system requires
24 efficient and comprehensive state oversight to regulate insurer
25 and agent solvency, education, licensing, and discipline and the
26 establishment of nondiscriminatory title insurance rates and
27 forms, and

28 WHEREAS, it is the express intent of the Legislature to

29 | conduct a comprehensive review of the title insurance industry
 30 | prior to authorizing any substantive alterations to the
 31 | regulatory scheme, delivery of the product, or rules impacting
 32 | the conduct of the industry, NOW, THEREFORE,

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

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

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

44 | (3) The Florida 2008 Title Insurance Study Advisory
 45 | Council is created. The council shall consist of the following
 46 | 23 members:

47 | (a) The Governor or the Governor's designee. The Governor
 48 | or the Governor's designee shall serve as chair of the council.

49 | (b) The Chief Financial Officer or the Chief Financial
 50 | Officer's designee. The Chief Financial Officer shall serve as
 51 | vice chair of the council.

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

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

56 | (e) The Insurance Consumer Advocate appointed pursuant to

57 s. 627.0613, Florida Statutes.
 58 (f) The Commissioner of Insurance Regulation.
 59 (g) The Secretary of Business and Professional Regulation.
 60 (h) Four representatives of title insurers doing business
 61 in this state from four different title insurers appointed by
 62 the President of the Senate and four representatives of title
 63 insurers doing business in this state from four different title
 64 insurers appointed by the Speaker of the House of
 65 Representatives. No more than one such appointment may be named
 66 from each affiliated group of corporations as defined in s.
 67 624.509(5)(a)2., Florida Statutes.
 68 (i) Three independent licensed title insurance agents
 69 appointed by the President of the Senate.
 70 (j) Three independent licensed title insurance agents
 71 appointed by the Speaker of the House of Representatives.
 72 (k) Two members of the Real Property, Probate and Trust
 73 Law Section of The Florida Bar who are practicing real estate
 74 attorneys not employed by a title insurer. The designation of
 75 such members shall be made by the Real Property, Probate and
 76 Trust Law Section of The Florida Bar.
 77 (4) The council shall be administratively supported by the
 78 staff of the Office of the Governor. The Department of Financial
 79 Services, the Office of Insurance Regulation, and other agencies
 80 of the state, as well as staff of the applicable legislative
 81 committees, shall supply any information, assistance, and
 82 facilities that are deemed necessary by the council to carry out
 83 its duties.
 84 (5) The council shall undertake a comprehensive

85 examination of the title insurance delivery system in this state
86 and shall include in its study consideration of:

87 (a) The historical development of the title insurance
88 industry in this state and its uniqueness among other lines of
89 insurance.

90 (b) The current regulatory structure under which oversight
91 responsibility is shared between different state agencies.

92 (c) The adequacy of funds and agency personnel to exercise
93 regulatory oversight.

94 (d) The adequacy of current mechanisms and expertise to
95 gather meaningful data to properly evaluate and adopt title
96 insurance rates.

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

99 (6) The council, at the direction of the chair, may invite
100 independent actuaries with title insurance expertise to provide
101 information and appear before the council to aid in performing
102 its duties.

103 (7) The council shall hold its initial meeting no later
104 than August 1, 2008, in Tallahassee. Staff for the council chair
105 shall schedule and organize the initial meeting. Subsequent
106 meetings of the council must be held in Tallahassee according to
107 a schedule developed by the chair.

108 (8) The council shall submit a final report, setting forth
109 findings and specific legislative recommendations, to the
110 Governor, the President of the Senate, and the Speaker of the
111 House of Representatives on or before December 31, 2009. The
112 council shall terminate after submitting its final report but

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113 | not later than December 31, 2009.

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