

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.

11  
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

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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,

33 |  
34 | Be It Enacted by the Legislature of the State of Florida:

35 |  
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 or the Chief  
51 | Financial Officer's designee shall serve as vice chair of the  
52 | council.

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

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

57 (e) The Insurance Consumer Advocate appointed pursuant to  
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) Four representatives of title insurers doing business  
64 in this state from four different title insurers appointed by  
65 the President of the Senate and four representatives of title  
66 insurers doing business in this state from four different title  
67 insurers appointed by the Speaker of the House of  
68 Representatives. No more than one such appointment may be named  
69 for each affiliated group of corporations as defined in s.  
70 624.509(5)(a)2., Florida Statutes.

71 (i) Three independent licensed title insurance agents  
72 appointed by the President of the Senate from a list of five  
73 agents submitted by the Florida Land Title Association.

74 (j) Three independent licensed title insurance agents  
75 appointed by the Speaker of the House of Representatives from a  
76 list of five agents submitted by the Florida Land Title  
77 Association.

78 (k) Two members of the Real Property, Probate and Trust  
79 Law Section of The Florida Bar who are practicing real estate  
80 attorneys not employed by a title insurer. The designation of  
81 such members shall be made by the Real Property, Probate and  
82 Trust Law Section of The Florida Bar.

83 (4) The council shall be administratively supported by the  
84 staff of the Office of the Governor. The Department of Financial

85 Services, the Office of Insurance Regulation, and other agencies  
86 of the state, as well as staff of the applicable legislative  
87 committees, shall supply any information, assistance, and  
88 facilities that are deemed necessary by the council to carry out  
89 its duties.

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

93 (a) The historical development of the title insurance  
94 industry in this state and its uniqueness among other lines of  
95 insurance.

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

98 (c) The adequacy of funds and agency personnel to exercise  
99 regulatory oversight.

100 (d) The adequacy of current mechanisms and expertise to  
101 gather meaningful data to properly evaluate and adopt title  
102 insurance rates.

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

105 (6) The council, at the direction of the chair, may invite  
106 independent actuaries with title insurance expertise to provide  
107 information and appear before the council to aid in performing  
108 its duties.

109 (7) The council shall hold its initial meeting no later  
110 than August 1, 2008, in Tallahassee. Staff for the council chair  
111 shall schedule and organize the initial meeting. Subsequent  
112 meetings of the council must be held in Tallahassee according to

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113 a schedule developed by the chair.

114 (8) The council shall submit a final report, setting forth  
115 findings and specific legislative recommendations, to the  
116 Governor, the President of the Senate, and the Speaker of the  
117 House of Representatives on or before December 31, 2009. The  
118 council shall terminate after submitting its final report but  
119 not later than December 31, 2009.

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