



201870

LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
03/05/2014	.	
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The Committee on Banking and Insurance (Lee) recommended the following:

**Senate Amendment (with title amendment)**

Delete lines 64 - 87

and insert:

625.111 Title insurance reserve.—In addition to an adequate reserve as to outstanding losses relating to known claims, as required under s. 625.041, a domestic title insurer shall establish, segregate, and maintain a guaranty fund or unearned premium reserve as provided in this section. The sums ~~required under this section~~ to be reserved for unearned premiums on title



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11 guarantees and policies ~~at all times and for all purposes~~ shall  
12 be considered and constitute unearned portions of the original  
13 premiums and shall be charged as a reserve liability of the such  
14 insurer in determining its financial condition. ~~While Such sums~~  
15 ~~are so reserved funds, they~~ shall be withdrawn from the use of  
16 the insurer for its general purposes, impressed with a trust in  
17 favor of the holders of title guarantees and policies, and held  
18 available for reinsurance of the title guarantees and policies  
19 in the event of the insolvency of the insurer. ~~Nothing contained~~  
20 ~~in~~ This section does not shall preclude the such insurer from  
21 investing such reserve in investments authorized by law, ~~for~~  
22 ~~such an insurer~~ and the income from such investments invested  
23 ~~reserve~~ shall be included in the general income of the insurer  
24 and may to be used by such insurer for any lawful purpose.

25 (1) For an unearned premium reserve reserves established on  
26 or after July 1, 1999, such ~~unearned premium~~ reserve must be in  
27 ~~shall consist of not less than~~ an amount at least equal to the  
28 sum of the amounts specified in paragraphs (a), (b), and (d) for  
29 title insurers holding less than \$50 million in surplus as to  
30 policyholders as of the previous year end, and the sum of the  
31 amounts specified in paragraphs (c) and (d) for title insurers  
32 holding \$50 million or more in surplus as to policyholders as of  
33 the previous year end:

34  
35 ===== T I T L E A M E N D M E N T =====

36 And the title is amended as follows:

37 Delete lines 5 - 7

38 and insert:

39 amending s. 625.111, F.S.; revising and specifying the



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reserves certain title insurers must set aside;  
specifying how such reserves will be released;