

1 A bill to be entitled
 2 An act relating to title insurance; amending s.
 3 627.778, F.S.; revising certain limitations on
 4 assumption of risk by title insurers; authorizing a
 5 title insurer to obtain reinsurance from an eligible
 6 reinsurer; providing an effective date.

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

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 10 Section 1. Paragraph (a) of subsection (1) of section
 11 627.778, Florida Statutes, is amended to read:

12 627.778 Limit of risk.—

13 (1) (a) A title insurer may not issue any contract of title
 14 insurance, either as a primary insurer or as a coinsurer or
 15 reinsurer, upon an estate, lien, or interest in property located
 16 in this state unless:

17 1. The contract shows on its face the dollar amount of the
 18 risk assumed; and

19 2. The dollar amount of the risk assumed does not exceed
 20 ~~one-half of~~ its surplus as to policyholders, unless the excess
 21 is simultaneously reinsured in one or more authorized ~~approved~~
 22 insurers or one or more reinsurers that may provide reinsurance
 23 under s. 624.610.

24 Section 2. This act shall take effect July 1, 2016.