

5-Year Reviews of Title Insurance Rules

- **R592-6:** Unfair Inducements and Marketing Practices in Obtaining Title Insurance Business.
- **R592-7:** Title Insurance Continuing Education.
- **R592-8:** Application Process for an Attorney Exemption for Agency Title Insurance Producer Licensing.
- **R592-9:** Title Insurance Recovery, Education, and Research Fund Assessment Rule.

Utah statute requires all state agencies to do 5-year reviews of their rules to ensure they continue to make sense in a changing world.

What must be done at the May 13 Title & Escrow Commission meeting is to make a yes-or-no determination of whether the above rules should stay on the books.

Rules cannot be amended as part of a 5-year review, but the need for future amendments can be discussed for inclusion on a future agenda.

State of Utah
Administrative Rule Analysis
Revised May 2023

FIVE-YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION

Title No. - Rule No.

Rule Number:	R592-6	Filing ID: Office Use Only
Effective Date:	Office Use Only	

Agency Information

1. Department:	Insurance	
Agency:	Title and Escrow Commission	
Room number:	Suite 2300	
Building:	Taylorsville State Office Building	
Street address:	4315 S. 2700 W.	
City, state and zip:	Taylorsville, UT 84129	
Mailing address:	PO Box 146901	
City, state and zip:	Salt Lake City, UT 84114-6901	
Contact persons:		
Name:	Phone:	Email:
Steve Gooch	801-957-9322	sgooch@utah.gov

Please address questions regarding information on this notice to the persons listed above.

General Information

2. Rule catchline:

R592-6. Unfair Inducements and Marketing Practices in Obtaining Title Insurance Business

3. A concise explanation of the particular statutory provisions under which the rule is enacted and how these provisions authorize or require this rule:

Subsection 31A-2-404(2) authorizes the Title and Escrow Commission to write rules to administer the provisions of Title 31A, Insurance Code, related to title insurance, including rules related to standards of conduct for a title insurer, agency, or producer.

4. A summary of written comments received during and since the last five-year review of this rule from interested persons supporting or opposing this rule:

The department has received no written comments regarding this rule during the past five years.

5. A reasoned justification for continuation of this rule, including reasons why the agency disagrees with comments in opposition to this rule, if any:

This rule establishes the actions that are considered to be unfair inducements and unfair marketing practices for title insurance producers, agencies, and companies. This rule is meant to maintain fair competition among licensees and to protect insurance consumers against unfair practices used to obtain their business. The Title and Escrow Commission directed that this rule should be continued by a vote of [INSERT VOTE RESULTS] at its May 13, 2024 meeting.

Agency Authorization Information

To the agency: Information requested on this form is required by Section 63G-3-305. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the *Utah State Bulletin*.

Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	Click or tap to enter a date.
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Reminder: Text changes cannot be made with this type of rule filing. To change any text, please file an amendment or a nonsubstantive change.

R592. Insurance, Title and Escrow Commission.

R592-6. Unfair Inducements and Marketing Practices in Obtaining Title Insurance Business.

R592-6-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Subsection 31A-2-404(2).

R592-6-2. Purpose and Scope.

- (1) The purpose of this rule is to identify practices that constitute unfair methods of competition because the practices create unfair inducements for the placement of title insurance business.
- (2) This rule applies to any person identified in Subsection 31A-23a-402(2)(a).

R592-6-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301 and 31A-2-402. Additional terms are defined as follows:

- (1)(a) "Business activities" include sporting events, sporting activities, musical events, art events, and similar activities.
- (b) "Business activities" do not include:
 - (i) awards banquets, recognition events, or similar activities that are sponsored or hosted by or for clients; or
 - (ii) commercial travel.
- (2)(a) "Business meals" include breakfast, brunch, lunch, dinner, cocktails, and tips.
- (b) "Business meals" do not include awards banquets, recognition events, or similar activities sponsored by or for clients.
- (3)(a) "Client" means any person who influences, or who may influence, the placement of title insurance business or who is engaged in a business, profession, or occupation of:
 - (i) buying or selling interests in real property; or
 - (ii) making loans secured by interests in real property.
- (b) "Client" may include real estate agents, real estate brokers, mortgage brokers, lending or financial institutions, builders, developers, subdividers, attorneys, consumers, escrow companies, and their employees, agents, representatives, and solicitors.
- (c) "Client" does not include a trade association, for the purposes of this rule.
- (4) "Official trade association publication" means:
 - (a) a membership directory, provided its exclusive purpose is that of providing the distribution of an annual roster of the association's members to the membership and other interested parties; or
 - (b) an annual, semiannual, quarterly, or monthly publication containing information and topical material for the benefit of the members of the association.
- (5) "Title insurance business" means the business of title insurance and the conducting of escrow.
- (6) "Title producer" means a title insurer, agency title insurance producer, or individual title insurance producer.
- (7) "Trade association" means a recognized association of persons, a majority of whom are clients or persons whose primary activity involves real property.

R592-6-4. Prohibited Unfair Methods of Competition.

A person identified in Section R592-6-2 who provides or offers to provide, directly or indirectly, any of the following benefits to any client has violated Section 31A-23a-402 and has engaged in an unfair method of competition.

- (1) Waiving any charge, premium, or rate for insurance or services otherwise due and payable.
- (2) Furnishing services not related to a bona fide title insurance, escrow, settlement, or closing transaction without receiving fair market payment for the services provided.
- (3) Paying for, furnishing, or waiving all or any part of the rental or lease charge for space that is occupied by a client.
- (4) Renting or leasing space from a client at a rate that is excessive or inadequate when compared with rental or lease charges for comparable space in the same geographic area, or paying rental or lease charges based in whole or in part on the volume of business generated by the client.
- (5) Furnishing any part of a title producer's facilities, including conference rooms or meeting rooms, to a client or its trade association, for anything other than providing escrow or title services, or related meetings, without receiving a fair rental or lease charge comparable to other rental or lease charges for facilities in the same geographic area.
- (6) Furnishing all or any part of the time or productive effort of any employee of the title producer, including a secretary, clerk, messenger, or escrow officer, to any client when such time or productive effort is not reasonably related to a bona fide title insurance, escrow, settlement, or closing transaction.
- (7) Paying a client or an employee of a client for a referral of business.
- (8)(a) Payment or pre-payment of the following:
 - (i) fees or charges of a professional, including an appraiser, surveyor, engineer, or attorney, whose services are required by any party or client to structure or complete a particular transaction;
 - (ii) fees or charges of a client or party to the transaction, for example, subordination, loan, or HOA payoff request fees, that are required by any party or client to structure or complete a particular transaction.
- (b) Subsection (8)(a) does not prohibit pre-payment of overnight mail and delivery fees.
- (9)(a) Except as provided in Subsection (9)(b), sponsoring, cosponsoring, subsidizing, contributing fees, prizes, gifts, food, or otherwise providing anything of value for an activity of a client including:
 - (i) an open house at a home or property for sale;
 - (ii) a meeting;
 - (iii) a breakfast, luncheon, or dinner;
 - (iv) a convention;
 - (v) an installation ceremony;
 - (vi) a celebration;
 - (vii) an outing;
 - (viii) a cocktail party;
 - (ix) a hospitality room function;
 - (x) an open house celebration;
 - (xi) a dance;
 - (xii) a sporting event of any kind, including a fishing trip, gambling trip, hunting trip or outing, or golf or ski tournament;
 - (xiii) an artistic performance; or
 - (xiv) an outing in a recreation or entertainment area.

- (b) A title producer may attend an activity of a client if:
 - (i) there is no additional cost to the title producer, other than the title producer's own entry fee, registration fee, and meals; and
 - (ii) the fees in Subsection (9)(b)(i) are not greater than those charged to a client or other person attending the function.
- (10) Sponsoring a trade association event at a cost that is greater than the sponsorships offered to members of the association, affiliates, vendors, or other participants of the event.
- (11) Furnishing or providing the following, even for a cost:
 - (a) building plans;
 - (b) construction critical path timelines;
 - (c) "For Sale by Owner" lists;
 - (d) surveys;
 - (e) appraisals;
 - (f) credit reports;
 - (g) mortgage leads for loans;
 - (h) rental or apartment lists; or
 - (i) printed labels.
- (12)(a) Engaging in the following advertising activity:
 - (i) paying for any advertising on behalf of a client;
 - (ii) advertising jointly with a client;
 - (iii) placing an advertisement in a publication, including an internet web page and its links, that is hosted, published, produced for, or distributed by or on behalf of a client;
 - (iv) placing an advertisement that fails to comply with Section 31A-23a-402 and Rule R590-130;
 - (v) placing an advertisement that is in an official trade association publication that does not offer each title producer an equal opportunity to advertise in the publication and at the standard rates other advertisers in the publication are charged;
 - (vi) advertising with free or paid social media services that are not open and available to the general public; or
 - (vii) paying a fee to share, like, respond to, comment on, or increase the visibility, ranking, or distribution of any social media involving a client or a client's social media page.
- (b) Nothing in Subsection (12)(a) prohibits the following:
 - (i) advertising independently that the title producer has provided title insurance for a particular subdivision or condominium project, but the title producer may not indicate that all future title insurance will be written by that title producer; or
 - (ii)(A) writing or posting on social media services about an event that directly involves the title producer and a client; and
 - (B) referencing or linking to the event on the client's social media page or the client company's social media page.
- (13) Using an interest in another business entity to avoid the provisions of Title 31A, Insurance Code, or any applicable rule.
- (14)(a) Holding more than two self-promotional open houses per calendar year for each owned or occupied facility, including branch offices.
 - (b) Holding a self-promotional open house at a location other than a registered office of the title producer.
- (15) Making a donation to a charitable organization controlled or managed by a client.
- (16) Distributing to a client, consumer, or member of the general public a self-promotional item that:
 - (a) has a cost of more than \$25;
 - (b) is edible;
 - (c) does not contain a permanent marking identifying the title producer; or
 - (d) is personalized in the donee's name.
- (17) Making an expenditure for a business meal or business activity on behalf of any person, whether a client or not, as a method of advertising if:
 - (a) the person representing the title producer is not present during the business meal or business activity;
 - (b) a substantial title insurance business discussion does not occur directly before, during, or after the business meal or business activity;
 - (c) the total cost of the business meal, the business activity, or both exceeds \$100 per person, per day;
 - (d) more than three individuals from an office of a client are provided a business meal or business activity in a single day by an individual title producer; or
 - (e) the entire business meal or business activity takes place on a client's premises.
- (18) Conducting education that:
 - (a) does not address title insurance, escrow, or a related subject;
 - (b) involves expenditure of more than \$20 per anticipated person including the cost of meals and refreshments;
 - (c) involves expenditure of more than \$500 for a facility and instructor; or
 - (d) is conducted at an individual, physical office location of a client more than once per calendar quarter.
- (19)(a) Acknowledging a wedding, a birth or adoption of a child, or a funeral of a client or a member of the client's immediate family with flowers or gifts exceeding \$150.
- (b) Acknowledging any other life event of a client or a member of the client's immediate family with a gift or anything of value.
- (c) A letter or card in these instances is not a thing of value.

R592-6-5. Severability.

If any provision of this rule, Rule R592-6, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: title insurance

Date of Last Change: 2024

Notice of Continuation: June 10, 2019

Authorizing, and Implemented or Interpreted Law: 31A-2-404

State of Utah
Administrative Rule Analysis
Revised May 2023

FIVE-YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION

Title No. - Rule No.

Rule Number:	R592-7	Filing ID: Office Use Only
Effective Date:	Office Use Only	

Agency Information

1. Department:	Insurance	
Agency:	Title and Escrow Commission	
Room number:	Suite 2300	
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Street address:	4315 S. 2700 W.	
City, state and zip:	Taylorsville, UT 84129	
Mailing address:	PO Box 146901	
City, state and zip:	Salt Lake City, UT 84114-6901	
Contact persons:		
Name:	Phone:	Email:
Steve Gooch	801-957-9322	sgooch@utah.gov

Please address questions regarding information on this notice to the persons listed above.

General Information

2. Rule catchline:
R592-7. Title Insurance Continuing Education
3. A concise explanation of the particular statutory provisions under which the rule is enacted and how these provisions authorize or require this rule:
Subsection 31A-2-404(2)(a)(iii) authorizes the Title and Escrow Commission to write rules to administer the provisions of Title 31, Insurance Code, that are related to title insurance continuing education requirements.
4. A summary of written comments received during and since the last five-year review of this rule from interested persons supporting or opposing this rule:
The department has received no written comments regarding this rule during the past five years.
5. A reasoned justification for continuation of this rule, including reasons why the agency disagrees with comments in opposition to this rule, if any:
This rule delegates from the Title and Escrow Commission to the Insurance Commissioner the authority to approve CE courses related to title insurance, and requires that the Insurance Commissioner provide to the Title and Escrow Commission a quarterly report of the CE courses approved by the Department. This rule also specifies the CE requirements that must be met by title insurance producers. It is important that the Department continue to provide this service for the Commission to alleviate the burden from Title and Escrow Commission members who may not know all the rules and have time to delegate the process. It is important to leave this duty with the Department because they have the personnel and process in place to review, approve, and disapprove CE courses in a timely, efficient way. The Title and Escrow Commission directed that this rule should be continued by a vote of [INSERT VOTE RESULTS] at its May 13, 2024 meeting.

Agency Authorization Information

To the agency: Information requested on this form is required by Section 63G-3-305. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the <i>Utah State Bulletin</i> .			
Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	Click or tap to enter a date.
Reminder: Text changes cannot be made with this type of rule filing. To change any text, please file an amendment or a nonsubstantive change.			

R592-7. Title Insurance Continuing Education.

R592-7-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Subsection 31A-2-404(2)(a)(iii).

R592-7-2. Purpose and Scope.

- (1) The purpose of this rule is to:
 - (a) adopt continuing education requirements for approving a continuing education course under Subsection 31A-2-404(2)(a)(iii);
 - (b) delegate authority from the Commission to the commissioner to approve a continuing education course related to a title licensee; and
 - (c) exempt a title licensee from the requirements of Subsection R590-142-4(2)(c).
- (2) This rule applies to:
 - (a) a title licensee; and
 - (b) a continuing education provider related to title insurance.
- (3) This rule does not apply to an individual who has met the continuing education requirements under Subsection 31A-23a-202(3)(b)(iii)(C).

R592-7-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301, 31A-2-402, and Rule R590-142. An additional term is defined as follows:

- (1) "Continuing education course" means a continuing education course related to title insurance.

R592-7-4. Continuing Education Course and Approval.

- (1) The Commission delegates to the commissioner the authority to approve a continuing education course under Subsection 31A-2-404(2)(e).
- (2) The commissioner shall use the requirements of Rule R590-142, Continuing Education Rule, when considering a request for a continuing education course approval.
 - (3) When the commissioner approves a continuing education course, the course:
 - (a) is considered approved by the Commission and has concurrence of the commissioner under Subsection 31A-2-404(2)(e) and Subsection R592-7-4(1); and
 - (b) is added to the department's approved course list.
 - (4) The commissioner shall provide a report to the Commission on a quarterly basis listing continuing education courses approved during the prior quarter.
 - (5) If the commissioner disapproves a continuing education course, the commissioner shall:
 - (a) remove the course from the department's approved course list; and
 - (b) notify the course provider of the disapproved course.

R592-7-5. Course Submission.

A continuing education provider shall submit to the commissioner a request for approval of a continuing education course under Section 31A-23a-202 and Rule R590-142.

R592-7-6. Licensee Course Requirements.

- (1) The continuing education credit hours required for the renewal of a title insurance producer license under Subsections 31A-23a-202(3)(b)(iii)(A) and (B), may be satisfied by completing an approved course that is:
 - (a) related to title insurance, escrow, real estate, or ethics; and
 - (b) categorized by the commissioner as:
 - (i) title;
 - (ii) title ethics; or
 - (iii) ethics.
- (2) The restrictions under Subsection R590-142-4(2)(c) do not apply to a title licensee.
- (3) A title licensee may obtain required credit hours through one or more insurers.

R592-7-7. Severability.

If any provision of this rule, Rule R592-7, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: title insurance continuing education

Date of Last Change: September 8, 2021

Notice of Continuation: June 10, 2019

Authorizing, and Implemented or Interpreted Law: 31A-2-308; 31A-2-402; 31A-2-404; 31A-23a-202

State of Utah
Administrative Rule Analysis
Revised May 2023

FIVE-YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION

Title No. - Rule No.

Rule Number:	R592-8	Filing ID: Office Use Only
Effective Date:	Office Use Only	

Agency Information

1. Department:	Insurance	
Agency:	Title and Escrow Commission	
Room number:	Suite 2300	
Building:	Taylorsville State Office Building	
Street address:	4315 S. 2700 W.	
City, state and zip:	Taylorsville, UT 84129	
Mailing address:	PO Box 146901	
City, state and zip:	Salt Lake City, UT 84114-6901	
Contact persons:		
Name:	Phone:	Email:
Steve Gooch	801-957-9322	sgooch@utah.gov

Please address questions regarding information on this notice to the persons listed above.

General Information

2. Rule catchline:
R592-8. Application Process for an Attorney Exemption for Agency Title Insurance Producer Licensing
3. A concise explanation of the particular statutory provisions under which the rule is enacted and how these provisions authorize or require this rule:
Section 31A-2-404 authorizes the Title and Escrow Commission to make rules to administer the provisions of Title 31A, Insurance Code, that are related to title insurance. Section 31A-23a-204 authorizes the Title and Escrow Commission to exempt attorneys with real estate experience from the three-year licensing requirement to license an agency title insurance producer.
4. A summary of written comments received during and since the last five-year review of this rule from interested persons supporting or opposing this rule:
The department has received no written comments regarding this rule during the past five years.
5. A reasoned justification for continuation of this rule, including reasons why the agency disagrees with comments in opposition to this rule, if any:
This rule delegates the preliminary process of approving or denying requests from attorneys for exemption from the licensing requirement in Subsection 31A-23a-204(1)(a), and provides a process to apply for the exemption and to appeal a denial. Without this rule, the Title and Escrow Commission would be responsible for handling attorney exemptions, which would require the Commission having a budget to hire personnel to process the exemptions. This rule is also necessary to provide attorneys with a process for filing an exemption and appealing a denial. The Title and Escrow Commission directed that this rule should be continued by a vote of [INSERT VOTE RESULTS] at its May 13, 2024 meeting.

Agency Authorization Information

To the agency: Information requested on this form is required by Section 63G-3-305. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the <i>Utah State Bulletin</i> .			
Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	Click or tap to enter a date.
Reminder: Text changes cannot be made with this type of rule filing. To change any text, please file an amendment or a nonsubstantive change.			

R592-8. Application Process for an Attorney Exemption for Agency Title Insurance Producer Licensing.

R592-8-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Sections 31A-2-404 and 31A-23a-204.

R592-8-2. Purpose and Scope.

(1) The purpose of this rule is to:

- (a) delegate to the commissioner preliminary approval or denial of a request for an attorney exemption;
- (b) provide acceptable real estate experience that may be used by an attorney seeking an exemption;
- (c) provide a process to apply for an attorney exemption; and
- (d) provide a process to appeal a denial of an attorney exemption.

(2) This rule applies to an attorney seeking an exemption under Section 31A-23a-204.

R592-8-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301, 31A-2-402, and 31A-23a-10. Additional terms are defined as follows:

- (1) "Attorney" means a person licensed, in good standing, with the Utah State Bar.
- (2) "Real estate experience" includes:
 - (a) law firm transactional experience consisting of any of the following:
 - (i) real estate transactions, drafting documents, reviewing and negotiating contracts of sale, real estate purchase contracts (REPC), commercial transactions, residential transactions;
 - (ii) financing and securing construction and permanent financing;
 - (iii) title review, due diligence, consulting and negotiating with title companies, researching and drafting title opinions, coordinating with title companies, pre-closing;
 - (iv) zoning, development, construction, homeowners' associations, subdivisions, condominiums, planned unit developments;
 - (v) conducting closings; and
 - (vi) estate planning, probate-related transactions and conveyances.
 - (b) law firm litigation experience consisting of any of the following:
 - (i) foreclosures;
 - (A) judicial and non-judicial;
 - (B) homeowner association (HOA) lien foreclosure;
 - (ii) homeowner vs. HOA litigation;
 - (iii) state construction registry litigation, mechanics lien filing and litigation;
 - (iv) real estate disputes or litigation involving:
 - (A) a real estate contract;
 - (B) a boundary line;
 - (C) a right of way, an easement, or both;
 - (D) a zoning issue;
 - (E) a property tax issue;
 - (F) a title issue or claim;
 - (G) an issue between a landlord and a tenant; and
 - (F) an estate or probate litigation, or both, involving real property assets, claims, and disputes.
 - (c) non-law firm experience consisting of any of the following:
 - (i) real estate agent, broker, developer, investor;
 - (ii) mortgage broker;
 - (iii) general contractor;
 - (iv) professor or instructor teaching real estate licensing, real estate contracts, or real estate law;
 - (v) lender involved with any of the following real estate lending activities:
 - (A) lending;
 - (B) escrow; or
 - (C) foreclosure;
 - (vi) private lender;
 - (vii) in-house counsel involved in real estate transactions for bank, mortgage lender, credit union, title company, or agency title insurance producer;
 - (viii) employment with or counsel to a government agency involved in regulation of real estate, such as HUD, FHA, zoning, tax assessor, county recorder, insurance department, and federal or state legislatures;
 - (ix) escrow officer;
 - (x) title searcher; or
 - (xi) surveyor; and
 - (d) other experience with real estate not included in Subsections (a), (b), and (c).

R592-8-4. Delegation of Authority.

The Commission hereby grants to the commissioner its preliminary concurrence for approval or denial of an attorney exemption under Section 31A-23a-204.

R592-8-5. Request for Exemption Process.

(1) An individual title licensee, who is an attorney seeking an agency title insurance producer license under Subsection 31A-23a-204(1)(c), shall submit a letter addressed to the Commission:

- (a) requesting an exemption from the licensing time period requirements in Subsection 31A-23a-204(1)(a); and
- (b) providing the following information:
 - (i) the applicant's name, mailing address, email address, telephone number, and title license number;

- (ii) a description of the applicant's real estate experience; and
- (iii) a statement explaining why the applicant feels the experience qualifies the applicant for the exemption.

(2) The commissioner shall review the request for exemption within five business days of its receipt, and:

- (a) request additional information from the applicant, if necessary;
- (b) preliminarily approve the request for exemption; or
- (c) preliminarily disapprove the request for exemption.

(3) The commissioner shall report monthly to the Commission any preliminarily approved or denied requests for exemption received and reviewed.

- (4) The Commission shall concur or not concur with the commissioner's preliminary approval or denial of a request for exemption.
- (5) If the commissioner's preliminary denial of a request for exemption is concurred with by the Commission, the commissioner will:
 - (a) notify the applicant of the denial; and
 - (b) inform the applicant of the applicant's right to a hearing.
- (6) If the Commission concurs with the commissioner's preliminary approval of a request for exemption, the commissioner will expeditiously notify the applicant to submit an electronic license application and pay any required fee or assessment.

(7) If the Commission does not concur with the commissioner's preliminary approval or preliminary denial, the applicant shall be informed of the applicant's right to a hearing.

R592-8-6. Severability.

If any provision of this rule, Rule R592-8, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: attorney exemption application process

Date of Last Change: October 12, 2021

Notice of Continuation: June 10, 2019

Authorizing, and Implemented or Interpreted Law: 31A-1-301; 31A-2-308; 31A-2-402; 31A-2-404; 31A-23a-102; 31A-23a-204

State of Utah
Administrative Rule Analysis
Revised May 2023

FIVE-YEAR NOTICE OF REVIEW AND STATEMENT OF CONTINUATION

Title No. - Rule No.

Rule Number:	R592-9	Filing ID: Office Use Only
Effective Date:	Office Use Only	

Agency Information

1. Department:	Insurance	
Agency:	Title and Escrow Commission	
Room number:	Suite 2300	
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City, state and zip:	Salt Lake City, UT 84114-6901	
Contact persons:		
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Please address questions regarding information on this notice to the persons listed above.

General Information

2. Rule catchline:
R592-9. Assessment for Title Insurance Recovery, Education, and Research Fund
3. A concise explanation of the particular statutory provisions under which the rule is enacted and how these provisions authorize or require this rule:
Section 31A-2-404 authorizes the Title and Escrow Commission to make rules to administer the provisions of Title 31A, Insurance Code, that are related to title insurance. Section 31A-41-202 requires the Title and Escrow Commission to determine the assessments required from individual title and agency title insurance producers to provide funding for the recovery, education, and research fund.
4. A summary of written comments received during and since the last five-year review of this rule from interested persons supporting or opposing this rule:
The department has received no written comments regarding this rule during the past five years.
5. A reasoned justification for continuation of this rule, including reasons why the agency disagrees with comments in opposition to this rule, if any:
The Recovery, Education, and Research Fund pays for claims related to an illegal transaction by a title licensee. Money is used to investigate violations by title licensees, conduct education and research, and to examine licensees. The fund pays for the education of staff who handle title issues. The amount to be taken from the account due to fraudulent acts of licensees can only be determined by a court of law. Without this fund, an individual who has a claim against a licensee who has defrauded, misrepresented, or deceived the individual would have no other recourse for reimbursement. The Title and Escrow Commission directed that this rule should be continued by a vote of [INSERT VOTE RESULTS] at its May 13, 2024 meeting.

Agency Authorization Information

To the agency: Information requested on this form is required by Section 63G-3-305. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the <i>Utah State Bulletin</i> .			
Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	Click or tap to enter a date.
Reminder: Text changes cannot be made with this type of rule filing. To change any text, please file an amendment or a nonsubstantive change.			

R592-9. Assessment for Title Insurance Recovery, Education, and Research Fund.

R592-9-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Sections 31A-2-404 and 31A-41-202.

R592-9-2. Purpose and Scope.

- (1) The purpose of this rule is to:
 - (a) establish the amount for an individual title insurance producer assessment; and
 - (b) establish the amount for an agency title insurance producer assessment.
- (2) This rule applies to:
 - (a) an agency title insurance producer; and
 - (b) an individual title insurance producer.

R592-9-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301 and 31A-41-102.

R592-9-4. Establishing Assessment Amounts.

- (1) The Commission adopts the Annual Title Recovery, Education, and Research Fund assessment set forth in Rule R590-102, Insurance Department Fee Payment Rule.

R592-9-5. Individual Title Insurance Producer Assessment.

- (1) An individual title insurance producer assessment shall be paid in accordance with Rule R590-102, Insurance Department Fee Payment Rule.

R592-9-6. Agency Title Insurance Producer Assessment.

- (1) An agency title insurance producer assessment shall be paid in accordance with Rule R590-102, Insurance Department Fee Payment Rule.

R592-9-7. Severability.

If any provision of this rule, Rule R592-9, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: title insurance recovery assessment

Date of Last Change: October 12, 2021

Notice of Continuation: June 10, 2019

Authorizing, and Implemented or Interpreted Law: 31A-2-308; 31A-41-202