

UID's Possible Title Insurance Proposals for Insurance Amendments Bill

The Department is considering proposing title insurance amendments to Title 31A that would:

1. Authorize the commissioner to make rules for winding down the business of a residential agency
2. Require an individual producer to hold a fidelity bond and professional liability insurance in the minimum amount of \$500,000 each
3. Require a producer to report wire fraud to the commissioner and to an insurer with whom the producer has an appointment
4. Require a producer and an insurer to report a termination of an appointment within 7 days of termination
5. If a producer conducts business without an appointment, or goes longer than 28 days without an appointment, authorize the commissioner to:
 - Suspend or revoke the producer's license
 - Freeze the producer's bank account
 - Subpoena the producers' records
 - Enjoin the producers' operations
 - Post notice of an enforcement action at the producer's place of business
6. Eliminate the prohibition on holding construction money
7. Require that a producer give a consumer notice of the availability of closing protection letter
8. Withdraw the commissioner's authority to allow a producer to deposit trust funds in other than Utah federal depository institutions
9. Change from August 1 to August 31 the due date for the assessment for the Title Insurance Recovery, Education, and Research Fund