

R592. Insurance, Title and Escrow Commission.

R592-18. Cost of Doing the Escrow Business.

R592-18-1. Authority.

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

R592-18-2. Scope and purpose.

(1) This rule applies to title insurers and title insurance producers.

(2) The purpose of this rule is to establish the standard for determining compliance with Section 31A-19a-209(3)(a)(ii).

R592-18-3. Calculating the cost of doing the escrow business under Section 31A-19a-209(3)(a)(ii).

(1) A title insurer, an agency title insurance producer, or an individual title insurance producer who is not an employee of a title insurer or who is not designated by an agency title insurance producer shall file with the commissioner, to be submitted with its annual report, a certified statement of the average residential escrow fee charged by the filer for the prior calendar year.

(2)(a) The commissioner shall establish an industry average residential escrow fee by calculating the average of the residential escrow fees submitted under Subsection (1).

(b) The industry average residential escrow fee shall be calculated for the buyer side and the seller side of a transaction.

(c) The industry average residential escrow fee shall include the sum of the fees charged by a filer for conducting escrow services on any transaction involving a dwelling as defined in Section 57-21-2.

(d) The industry average residential escrow fee shall exclude any pass-through cost incurred incident to the escrow services or the issuance of the title insurance and separately charged to the consumer.

(3) On June 1 of each year, the commissioner shall issue a bulletin that notifies title insurers and title insurance producers of the industry average residential escrow fee for the buyer side and the seller side of a transaction.

(4) The industry average residential escrow fee calculated under Subsection (2) shall take effect on September 1 following the issuance of the bulletin.

(5) Under Section 31A-19a-209(3) (a) (ii), the cost of doing the escrow business is 50% of the industry average residential escrow fee for the buyer side and the seller side as calculated under Subsection (2).

R592-18-4. Severability.

If any provision of this rule or its application is held invalid, the 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: new rule

Authorizing, and Implemented or Interpreted Law: 31A-2-404(2) (a), (4); 31A-19a-209(2) (a) (ii)