

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 COMMITTEE SUBSTITUTE

4 FOR

HOUSE BILL NO. 1767

By: Russ

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7 COMMITTEE SUBSTITUTE

8 An Act relating to title insurers; amending 36 O.S.
9 2011, Section 5001, which relates to issuing title
10 insurance; modifying who is authorized to countersign
title insurance policy; defining term; and providing
an effective date.

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13 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

14 SECTION 1. AMENDATORY 36 O.S. 2011, Section 5001, is
15 amended to read as follows:

16 Section 5001. A. Any foreign or domestic stock insurer
17 authorized by its corporate charter to engage in business as a title
18 insurer shall be entitled to the issuance of a certificate of
19 authority as a title insurer in this state upon meeting the
20 applicable requirements of Article 6, Authorization of Insurers and
21 General Requirements, of the Oklahoma Insurance Code, except that
22 existing title insurers may have their certificate of authority
23 renewed by maintaining surplus in regard to policyholders of not
24 less than Five Hundred Thousand Dollars (\$500,000.00).

1 B. A person engaged in the business of preparing or issuing
2 abstracts of, but not guaranteeing or insuring, title to property,
3 or a person acting only as agent for a title insurer, shall not be
4 deemed to be a title insurer.

5 C. Every policy of title insurance ~~or certificate of title~~
6 issued by any insurance company authorized to do business in this
7 state shall be countersigned by some person, partnership,
8 corporation or agency actively engaged in the ~~abstract of~~ real
9 estate title business ~~in Oklahoma as defined and provided in the~~
10 ~~Oklahoma Abstractors Law or by an attorney licensed to practice in~~
11 ~~the State of Oklahoma,~~ who is a duly appointed ~~as~~ agent of a title
12 insurance company, authorized to do business in the state; provided,
13 that no policy of title insurance shall be issued in the State of
14 Oklahoma except:

15 1. After examination by an attorney licensed to practice in
16 this state of a duly certified abstract extension or supplemental
17 abstract prepared by an abstractor licensed in the county where the
18 property is located, from a certified abstract plant in the county
19 where the property is located or per a temporary certificate of
20 authority as provided in Section ~~6~~ 33 of ~~this act~~ Title 1 of the
21 Oklahoma Statutes, from the effective date of a prior owner's policy
22 of title insurance issued by a title insurer licensed in this state
23 provided by the insured pursuant to the policy at the time a valid
24 order is placed pursuant to the provisions of the Oklahoma

1 Abstractors Law brought forward to the effective date of the
2 abstract plant. Subject to the conditions and stipulations, the
3 exclusions from coverage, exceptions from coverage and endorsements
4 to the policy, any policy issued based on a prior owner's policy and
5 a supplemental abstract shall insure the insured against loss or
6 damage sustained or incurred by reason of unmarketability of title
7 from sovereignty to the effective date of the policy, not to exceed
8 the amount of insurance stated in the policy; or

9 2. If the previously insured owner does not provide a copy of
10 the owner's policy of title insurance, then a title insurance policy
11 may be issued after examination by an attorney licensed to practice
12 in this state of a duly certified abstract of title prepared by a
13 bonded and licensed abstractor as defined in the Oklahoma
14 Abstractors Law.

15 D. As used in subsections B and C of this section, the term
16 "agent" shall mean a person authorized to act on behalf of or in
17 place of another.

18 SECTION 2. This act shall become effective November 1, 2013.

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