

1 STATE OF OKLAHOMA

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

3 HOUSE BILL 1767

By: Russ

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6 AS INTRODUCED

7 An Act relating to title insurers; amending 36 O.S.
8 2011, Section 5001, which relates to issuing title
9 insurance or certificate of title; modifying who may
countersign certain policy; and providing an
effective date.

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

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

15 Section 5001. A. Any foreign or domestic stock insurer
16 authorized by its corporate charter to engage in business as a title
17 insurer shall be entitled to the issuance of a certificate of
18 authority as a title insurer in this state upon meeting the
19 applicable requirements of Article 6, Authorization of Insurers and
20 General Requirements, of the Oklahoma Insurance Code, except that
21 existing title insurers may have their certificate of authority
22 renewed by maintaining surplus in regard to policyholders of not
23 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 company authorized to do business in this state shall
7 be countersigned by some person, partnership, corporation or agency
8 actively engaged in the abstract of title business in Oklahoma as
9 defined and provided in the Oklahoma Abstractors Law or by ~~an~~
10 ~~attorney licensed to practice in the State of Oklahoma~~ a duly
11 appointed ~~as~~ agent of a title insurance company, provided that no
12 policy of title insurance shall be issued in the State of Oklahoma
13 except:

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

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

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

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

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