

1 ENGROSSED HOUSE
2 BILL NO. 2941

By: Mulready of the House

3 and

4 Bice of the Senate

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8 [insurance - removing requirement that certain
9 policy of title insurance be provided by certain
10 insured person - 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, as
15 last amended by Section 2, Chapter 148, O.S.L. 2017 (36 O.S. Supp.
16 2017, Section 5001), is amended to read as follows:

17 Section 5001. A. Any foreign or domestic stock insurer
18 authorized by its corporate charter to engage in business as a title
19 insurer shall be entitled to the issuance of a certificate of
20 authority as a title insurer in this state upon meeting the
21 applicable requirements of Article 6, Authorization of Insurers and
22 General Requirements, of the Oklahoma Insurance Code, except that
23 existing title insurers may have their certificate of authority
24

1 renewed by maintaining surplus in regard to policyholders of not
2 less than Five Hundred Thousand Dollars (\$500,000.00).

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

7 C. Every policy of title insurance issued by any insurance
8 company authorized to do business in this state shall be
9 countersigned by some person, partnership, corporation or agency
10 actively engaged in the real estate title business and maintaining
11 an office in the state, who is a duly appointed agent of a title
12 insurance company holding a valid license and authorized to do
13 business in the state; provided, that no policy of title insurance
14 shall be issued in the State of 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 33 of Title 1 of the Oklahoma
21 Statutes, from the effective date of a prior owner's policy of title
22 insurance issued by a title insurer licensed in this state ~~provided~~
23 ~~by the insured pursuant to the policy at the time a valid order is~~
24 ~~placed pursuant to the provisions of the Oklahoma Abstractors Law~~

1 ~~brought forward to the effective date of the abstract plant.~~

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

9 2. ~~If the previously insured owner does not provide a copy of~~
10 ~~the~~ no prior owner's policy of title insurance exists, then a title
11 insurance policy may be issued after examination by an attorney
12 licensed to practice in this state of a duly certified abstract of
13 title prepared by a bonded and licensed abstractor as defined in the
14 Oklahoma Abstractors Law.

15 D. Every duly appointed agent of a title insurance company that
16 countersigns and issues an owner's policy of title insurance on
17 behalf of the title insurance company shall, immediately thereafter,
18 complete and execute a Notification of Owner's Policy on a form to
19 be promulgated by the Oklahoma Insurance Department, which form
20 shall contain, at a minimum, spaces for the name of the owner, the
21 legal description of the property, the identity of the title
22 insurance company underwriting the policy, the policy number and the
23 date of issuance. Within thirty (30) days of the issuance of said
24 owner's policy of title insurance, the agent executing a

1 Notification of Owner's Policy shall cause the same to be filed for
2 record in the land records of the county clerk of the county in
3 which the subject land is situated and shall also transmit a copy
4 thereof by mail, fax, email or personal delivery to the insured
5 owner.

6 E. If the current owner or the owner's authorized agent
7 requests, ~~in writing,~~ a copy of any previously issued owner's
8 policy, the licensed title producer or the underwriting title
9 insurance company that issued the policy shall provide the
10 requesting party with a complete copy of the subject policy,
11 including all schedules ~~in the previously issued policy~~ without
12 delay.

13 F. The Oklahoma Insurance Department shall maintain, for each
14 title insurance company holding a valid license and authorized to do
15 business in the state, contact information for the office or person
16 responsible for making available copies of owner's policies pursuant
17 to this statute and will make such contact information generally
18 available to the public on its Internet website and by telephone
19 request and shall require prompt responses by all title insurance
20 companies to requests made pursuant to this statute.

21 ~~E.~~ G. As used in subsections B ~~and,~~ C and D of this section,
22 the term "agent" shall mean a person authorized to act on behalf of
23 or in place of another.

H. The Oklahoma Insurance Commissioner shall promulgate rules as may be necessary to carry out the provisions of this section.

SECTION 2. This act shall become effective November 1, 2018.

Passed the House of Representatives the 15th day of March, 2018.

Presiding Officer of the House
of Representatives

Passed the Senate the ____ day of _____, 2018.

Presiding Officer of the Senate