

SENATE CHAMBER
STATE OF OKLAHOMA

DISPOSITION

☐ FLOOR AMENDMENT

No. _____

☐ COMMITTEE AMENDMENT

(Date)

Mr./Madame President:

I move to amend House Bill No. 2941, by substituting the attached floor substitute for the title, enacting clause and entire body of the measure.

Submitted by:

Senator Bice

Bice-CB-FS-Req#3579
4/23/2018 3:05 PM

(Floor Amendments Only) Date and Time Filed: _____

☐ Untimely

☐ Amendment Cycle Extended

☐ Secondary Amendment

STATE OF OKLAHOMA

2nd Session of the 56th Legislature (2018)

FLOOR SUBSTITUTE

FOR ENGROSSED

HOUSE BILL NO. 2941

By: Mulready of the House

and

Bice of the Senate

FLOOR SUBSTITUTE

[insurance - requirements of title insurers-
effective date]

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

SECTION 1. AMENDATORY 36 O.S. 2011, Section 5001, as
last amended by Section 2, Chapter 148, O.S.L. 2017 (36 O.S. Supp.
2016, Section 5001), is amended to read as follows:

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

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 insurance producer
6 appointed by a title insurer, shall not be deemed to be a title
7 insurer.

8 C. Every commitment and policy of title insurance issued by any
9 insurance company authorized to do business in this state shall be
10 countersigned by some person, partnership, corporation or agency
11 actively engaged in the real estate title business and maintaining
12 an office in the state, who is a duly appointed ~~agent of~~ a title
13 insurance producer for a title insurance company holding a valid
14 license and authorized to do business in the state; provided, that
15 no commitment or policy of title insurance shall be issued in the
16 State of Oklahoma except:

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

1 by the insured ~~pursuant to the policy~~, the prior title insurance
2 producer or the prior title insurer, at the time a valid order is
3 placed pursuant to the provisions of the Oklahoma Abstractors Law
4 brought forward to the effective date of the abstract plant.

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

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

18 D. If the current owner or insured, or the owner's or insured's
19 authorized agent requests, in writing, a copy of any previously
20 issued owner's policy, the ~~licensed~~ title insurance producer or the
21 ~~underwriting title insurance company~~ insurer that issued the policy
22 shall provide the requesting party with a copy of the schedules in
23 the previously issued policy ~~without delay~~ within five (5) business
24 days, unless there exists an unavoidable delay.

1 E. As used in ~~subsections B and C~~ of this section, the term
2 "~~agent~~" "representative" shall mean a person authorized to act on
3 behalf of or in place of another in the current transaction.

4 F. Every title insurance producer, title insurer or person who
5 conducts a real estate closing that presents, for filing in the
6 office of the county clerk, an instrument of conveyance or vesting
7 title in connection with a transaction in which an owner's policy of
8 title insurance is to be issued by a title insurance producer or
9 title insurer that is based upon such instrument shall place a
10 legend within the instrument that sets forth the following
11 information:

12 Deed presented for filing by: [Name of title insurance
13 producer, title insurer or person conducting closing]

14 File Number: [File Number of title insurance producer, title
15 insurer or person conducting closing]

16 [Name of Title Insurer designated in the Commitment for Title
17 Insurance]

18 G. The Insurance Department shall maintain, for each title
19 insurance producer or title insurer holding a valid license and
20 authorized to do business in the state, contact information for the
21 office or person responsible for making available copies of owner's
22 policies pursuant to this statute and shall make such contact
23 information generally available to the public on its website and by
24 telephone request.

1 H. The Insurance Commissioner may promulgate rules and
2 regulations to carry out the provisions of this section.

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

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5 56-2-3579 CB 4/23/2018 3:05:37 PM
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