


FLORIDA BULLETIN 92 - 8

TO: ALL MINNESOTA TITLE AGENTS AND BRANCH OFFICES

FROM: Craig M. Jontz   
State Counsel  
Florida State Office

DATE: September 25, 1992

RE: SUMMARY OF TITLE INSURANCE PROVISIONS  
OF SENATE BILL 170-H

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The Florida legislature recently enacted Senate Bill No. 170-H which revises Chapter 626, F.S. and Chapter 627, F.S. of the Florida Insurance Code. The new law revised numerous statutes pertaining to all forms of insurance, but the purpose of this bulletin is to provide you with information concerning those provisions which affect the title insurance industry.

I. Licensing Requirements for Agents

The new law requires that all persons who countersign binders or policies must be licensed as "Agents" and employed by a licensed title insurance "Agency". A licensed agent must also be appointed in writing by an underwriter. See Section 646.841, F.S. and New Section 646.8412, F.S.

Florida attorneys are exempt from the licensing and appointment requirements. However, if an attorney or attorneys own a corporation or other legal entity which is doing business as a title insurance agency, the agency must be licensed and an agent appointed. See Amended Section 626.8417(4)(c).

Amended Section 626.8417, F.S. sets forth the following requirements which an individual must meet in order to obtain a license as a title agent:

1. An application for such a license must be filed together with payment of \$60.00 with the Department of Insurance on printed forms furnished by the Department\*;

\*Note - The forms for applications are being printed and will not be available for another three or four weeks.

2. Applicants must either have completed within four years preceding the date of of the application, a forty hour course in title insurance approved by the Department, or have had at least twelve months experience in "responsible title insurance duties" as a full-time, bona fide employee of a title agency or an underwriter. If an applicant's qualifications are based on employment experience, an affidavit would be necessary from the employer confirming the applicant's employment;
3. Pass an examination for licensure required under Section 626.221, F.S. UNLESS the applicant is exempted from taking the examination. New Section 626.8414(2) provides that an applicant who has been actively engaged in the title insurance business within Florida for five consecutive years before applying for a license will not be required to take a test IF they file their application before March 15, 1993. All other applicants must successfully complete the examination. The examinations are in the process of being prepared.

In order to comply with the new licensing requirements, it is suggested that you immediately determine who you wish to license and write the Department for application forms for each individual applicant. You should forward all requests to:

Cindy Benefield  
Bureau of Licensing  
Department of Insurance  
200 E. Gaines Street  
Tallahassee, Florida 32399-0300  
Telephone: (904) 922-3137, Ext. 5462

You should simultaneously submit the names of those you wish to designate as authorized signatories for TICM policies to your local TICM manager. Note that licensed title insurance agents must also be appointed by each title insurer to issue title insurance in its behalf. Amended Section 624.501(29)(e)1, F.S. requires that each title insurer pay an annual administrative surcharge of \$200.00 to the Department for each licensed title insurance agent appointed by the title insurer.

Continuing education courses will be required to be taken by each licensed agent. Each licensed title agent whose appointment with the Department is renewed in 1995, and thereafter must complete 14 hours of approved continuing education courses every year or 28 hours every two years. Completion of the CLC or CLS program and receipt of the designation counts for 28 hours. See Amended Section 626.2815, F.S.

## II. Owners and Encumbrance Reports

Ownership and Encumbrance Reports are now subject to new Section 626.7843, F.S. The statute requires that O&E reports be on forms approved by the Department which specifically state that maximum liability for incorrect information is \$1,000.00. O&E reports are prohibited from containing any opinion, warranty, guarantee, insurance, or other similar assurance as to the status of title.

III. Charging and Collection of Title Premiums

New Section 627.7831 F.S., requires that a portion of the premium for a commitment to insure non-residential property must be charged when the commitment is issued. This portion must be collected on the earlier of the closing date or 21 months from the date of the commitment, whichever occurs first, or another date agreed to in writing at the time of issuance of the commitment or binder.

This bulletin is only a summary of those provisions which affect title insurance agents. Please give me a call if you would like copies of pertinent statutes, or if I can be of any assistance to you.

CMJ/mja