

SENATE BILL NO. 180

BY SENATOR MORRIS

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AN ACT

To amend and reenact R.S. 22:512(16), 513, 519, 1545(C)(2), and 1571(E)(1), relative to title insurers; to provide definitions; to provide for qualifications and licensing of individual and agency title insurers; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 22:512(16), 513, 519, 1545(C)(2), and 1571(E)(1) are hereby amended and reenacted to read as follows:

§512. Definitions

As used only in this Subpart, the following words are defined as:

* * *

(16) (a) "~~Title~~ **Individual title** insurance producer" or "**individual** producer" shall mean a **licensed natural** person **who is either a resident of this state or a nonresident individual who is employed by a resident licensee,** authorized on behalf of the title insurer to issue title insurance reports or policies.

(b) "Agency title insurance producer" or "agency producer" shall mean a business entity appointed to represent a title insurer, whose principal place of business is physically located in this state, or who has designated a resident licensed individual producer employed by the business entity as responsible for complying with the requirements of this Section.

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§513. Title insurers and producers; qualifications

A. Only those persons authorized as a title ~~insurer or producer~~ **insurers or producers** pursuant to this Title shall be qualified to issue a title insurance ~~policy~~ **policies** or reports or otherwise transact the business of title insurance.

Notwithstanding any other law to the contrary, all title insurance policies and reports

1 covering any insurable interest in title to immovable property located in this state
2 shall be signed by a producer licensed in this state under this Subpart or by an
3 employee of a title insurer issuing the title insurance policies and reports when ~~such~~
4 the employee is a producer licensed in this state under this Subpart.

5 **B. The qualifications for each individual title insurance producer shall**
6 **be as follows:**

7 **(1) Shall be a natural person at least eighteen years of age.**

8 **(2) Shall be a resident of this state or be a full-time employee of a**
9 **licensed agency producer whose principal place of business is physically located**
10 **in this state.**

11 **(3) Shall hold a high school diploma, a diploma for completion of a home**
12 **study program approved by the State Board of Elementary and Secondary**
13 **Education, or a high school equivalency diploma issued after successfully**
14 **completing the test of general educational development.**

15 **(4) Shall be able to read, write, speak, and be sufficiently knowledgeable**
16 **of the English language.**

17 **(5) Shall receive a passing score on the title insurance examination**
18 **administered by the department.**

19 **(6) Shall complete the required hours of prelicensing education under**
20 **R.S. 22:1545 and 1571 related to Louisiana property law and title insurance,**
21 **within the one-year period prior to application.**

22 **C. The qualifications for each agency title insurance producer shall be**
23 **as follows:**

24 **(1) Shall be a Louisiana entity whose principal place of business is**
25 **physically located in this state, or a foreign entity registered to do business in**
26 **this state whose principal place of business within Louisiana is suitable for**
27 **conducting the business of title insurance and real estate closing.**

28 **(2) Shall employ at least one licensed individual producer designated**
29 **with responsibility for ensuring compliance with the requirements of this**
30 **Section.**

1 **(3) Shall maintain its appointment to represent a title insurer, along with**
2 **affiliation of the individual producer designated in Paragraph (2) of this**
3 **Subsection.**

4 **(4) The entity and its designated individual producer shall not have had**
5 **an agency producer license, or its equivalent or an individual producer license,**
6 **or its equivalent, suspended, revoked, or refused in any other state, province,**
7 **district, or territory.**

8 * * *

9 §519. Title insurance producers; examination

10 **A.** The department or title insurer may during normal business hours
11 examine, audit, and inspect any and all books, records, files, and escrow and
12 operating accounts related to the title insurance business maintained by a title
13 insurance producer its successor in interest, transferee, or receiver as provided under
14 this Subpart.

15 **B. In order to comply with the provisions of this Section, a producer shall**
16 **maintain records in legible format, readily accessible to the department, and in**
17 **a location fully accessible from or physically existing in Louisiana.**

18 * * *

19 §1545. Examination

20 * * *

21 C.(1)

 * * *

22 (2) This Subsection shall not apply to any applicant seeking authorization to
23 write industrial fire, limited life, health and accident, surety, ~~title~~, surplus lines, or
24 credit insurance business only.

25 * * *

26 §1571. Registered insurance producer and bail bond producer precicensing program

27 * * *

28 E.(1) Each registered insurance producer precicensing program for lines other
29 than bail bonds shall provide instruction by a qualified instructor in a structured
30 setting or by verifiable approved self-study with a minimum of twenty hours of

1 supervised instruction or self-study, including instruction in applicable insurance
 2 principles, state laws and regulations, and ethical practices, for each of the following
 3 lines of authority a license is sought: life, health and accident, property, casualty,
 4 title, and personal lines.

5 * * *

6 Section 2. This Act shall become effective on January 1, 2021.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____