2020 Regular Session SENATE BILL NO. 180 **ACT No. 310**

BY SENATOR MORRIS

| 1 | AN ACT |
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| 2 | To amend and reenact R.S. 22:512(16), 513, 519, 1545(C)(2), and 1571(E)(1), relative to |
| 3 | title insurers; to provide definitions; to provide for qualifications and licensing of |
| 4 | individual and agency title insurers; and to provide for related matters. |
| 5 | Be it enacted by the Legislature of Louisiana: |
| 6 | Section 1. R.S. 22:512(16), 513, 519, 1545(C)(2), and 1571(E)(1) are hereby |
| 7 | amended and reenacted to read as follows: |
| 8 | §512. Definitions |
| 9 | As used only in this Subpart, the following words are defined as: |
| 10 | * * * |
| 11 | (16) (a) "Title Individual title insurance producer" or "individual producer" |
| 12 | shall mean a licensed natural person who is either a resident of this state or a |
| 13 | nonresident individual who is employed by a resident licensee, authorized on |
| 14 | behalf of the title insurer to issue title insurance reports or policies. |
| 15 | (b) "Agency title insurance producer" or "agency producer" shall mean |
| 16 | a business entity appointed to represent a title insurer, whose principal place of |
| 17 | business is physically located in this state, or who has designated a resident |
| 18 | licensed individual producer employed by the business entity as responsible for |
| 19 | complying with the requirements of this Section. |
| 20 | * * * |
| 21 | §513. Title insurers and producers; qualifications |
| 22 | <u>A.</u> Only those persons authorized as a title insurer or producer insurers or |
| 23 | producers pursuant to this Title shall be qualified to issue a title insurance policy |
| 24 | <u>policies</u> or report <u>s</u> or otherwise transact the business of title insurance. |
| 25 | Notwithstanding any other law to the contrary, all title insurance policies and reports |
| | |

Page 1 of 4 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SB NO. 180

ENROLLED

| 1 | covering any insurable interest in title to immovable property located in this state |
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| 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 |
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| 17 | (5) Shall receive a passing score on the title insurance examination |
| 17 18 | (5) Shall receive a passing score on the title insurance examination administered by the department. |
| 17 18 19 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under |
| 17 18 19 20 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, |
| 17 18 19 20 21 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. |
| 17 18 19 20 21 22 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. C. The qualifications for each agency title insurance producer shall be |
| 17 18 19 20 21 22 23 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. C. The qualifications for each agency title insurance producer shall be as follows: |
| 17 18 19 20 21 22 23 24 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. C. The qualifications for each agency title insurance producer shall be as follows: (1) Shall be a Louisiana entity whose principal place of business is |
| 17 18 19 20 21 22 23 24 25 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. C. The qualifications for each agency title insurance producer shall be as follows: (1) Shall be a Louisiana entity whose principal place of business is physically located in this state, or a foreign entity registered to do business in |
| 17 18 19 20 21 22 23 24 25 26 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. C. The qualifications for each agency title insurance producer shall be as follows: (1) Shall be a Louisiana entity whose principal place of business is physically located in this state, or a foreign entity registered to do business in this state whose principal place of business within Louisiana is suitable for |
| 17 18 19 20 21 22 23 24 25 26 27 | (5) Shall receive a passing score on the title insurance examination administered by the department. (6) Shall complete the required hours of prelicensing education under R.S. 22:1545 and 1571 related to Louisiana property law and title insurance, within the one-year period prior to application. C. The qualifications for each agency title insurance producer shall be as follows: (1) Shall be a Louisiana entity whose principal place of business is physically located in this state, or a foreign entity registered to do business in this state whose principal place of business within Louisiana is suitable for conducting the business of title insurance and real estate closing. |

Page 2 of 4 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SB NO. 180

ENROLLED

| 1 | (3) Shall maintain its appointment to represent a title insurer, along with |
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| 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 | \underline{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 prelicensing program |
| 27 | * * * |
| 28 | E.(1) Each registered insurance producer prelicensing 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 |
| | |

Page 3 of 4 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SB NO. 180

ENROLLED

| 1 | supervised instruction or self-study, including instruction in applicable insurance |
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| 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: _____