

AN ACT

relating to the biennial hearing concerning title insurance and related information.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Sections 2703.153 and 2703.203, Insurance Code, are amended to read as follows:

Sec. 2703.153. COLLECTION OF DATA FOR FIXING PREMIUM RATES; ANNUAL STATISTICAL REPORT. (a) Each title insurance company and title insurance agent engaged in the business of title insurance in this state shall annually submit to the department, as required by the department to collect data to use to fix premium rates, a statistical report containing ~~all~~ information relating to:

- (1) loss experience;
- (2) expense of operation; and
- (3) other material matters.

(b) The information must be submitted in the form prescribed by the department.

(c) If the department requires a title insurance company or title insurance agent to include new or different information in the statistical report, that information may be considered by the commissioner in fixing premium rates if the information collected is reasonably credible for the purposes for which the information is to be used.

(d) A title insurance company or a title insurance agent

1 aggrieved by a department requirement concerning the submission of  
2 information may bring a suit in a district court in Travis County  
3 alleging that the request for information:

4 (1) is unduly burdensome; or

5 (2) is not a request for information material to  
6 fixing and promulgating premium rates or another matter that may be  
7 the subject of the biennial hearing and is not a request reasonably  
8 designed to lead to the discovery of that information.

9 (e) On filing of a suit under Subsection (d), the  
10 requirement that the title insurance company or title insurance  
11 agent bringing the suit comply with the request for the information  
12 is abated as to that title insurance company or title insurance  
13 agent. The district court may enter an order requiring the title  
14 insurance company or title insurance agent to comply with the  
15 request for information subject to the limitations, if any, imposed  
16 by the court.

17 (f) A title insurance company or title insurance agent must  
18 bring suit under Subsection (d) not later than the 30th day after  
19 the date the company or agent receives the request for information  
20 from the department.

21 (g) This section may not be construed to limit the  
22 department's authority to request information under Section 38.001  
23 or other applicable provisions of this code.

24 Sec. 2703.203. BIENNIAL HEARING. The commissioner shall  
25 hold a biennial public hearing not earlier than July 1 of each  
26 even-numbered year to consider adoption of premium rates and other  
27 matters relating to regulating the business of title insurance that

1 an association, title insurance company, title insurance agent, or  
2 member of the public admitted as a party under Section 2703.204  
3 requests to be considered or that the commissioner determines  
4 necessary to consider.

5 SECTION 2. Section 2703.204, Insurance Code, is amended to  
6 read as follows:

7 Sec. 2703.204. ADMISSION AS PARTY TO BIENNIAL HEARING. (a)  
8 Subject to this section, an [~~An~~] individual or association or  
9 other entity recommending adoption of a premium rate or another  
10 matter relating to regulating the business of title insurance shall  
11 be admitted as a party to the biennial hearing.

12 (b) A party to the ratemaking phase of the biennial hearing  
13 may request that the commissioner remove any other party to the  
14 ratemaking phase of the hearing on the grounds that the other party  
15 does not have a substantial interest in title insurance. A decision  
16 of the commission to deny or grant the request is final and subject  
17 to appeal in accordance with Section 36.202.

18 SECTION 3. Section 2703.205(d), Insurance Code, is  
19 amended to read as follows:

20 (d) At the direction of the commissioner or at the written  
21 request of an association or other entity recommending adoption of  
22 a premium rate and [~~a person~~] seeking admission as a party to the  
23 ratemaking phase of the hearing, the State Office of Administrative  
24 Hearings shall conduct the ratemaking phase of the hearing in  
25 accordance with Chapter 40. A request under this subsection must be  
26 made at the time the association or entity [~~a person~~] seeks to be  
27 admitted as a party to the hearing but may not be made later than the

1 10th day after the date notice of the hearing is provided under  
2 Section 2703.207.

3 SECTION 4. This Act applies only to the premium rate  
4 applicable to a title insurance policy that is delivered, issued  
5 for delivery, or renewed on or after January 1, 2009. A premium rate  
6 applicable to a policy that is delivered, issued for delivery, or  
7 renewed before January 1, 2009, is governed by the law as it existed  
8 immediately before the effective date of this Act, and that law is  
9 continued in effect for this purpose.

10 SECTION 5. This Act takes effect September 1, 2007.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3271 was passed by the House on May 8, 2007, by the following vote: Yeas 146, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3271 on May 25, 2007, by the following vote: Yeas 141, Nays 0, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3271 was passed by the Senate, with amendments, on May 23, 2007, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor