

By: Smithee

H.B. No. 2836

A BILL TO BE ENTITLED

AN ACT

relating to the regulation of title insurance rates.

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

SECTION 1. Section 2703.152, Insurance Code, is amended by amending Subsection (b) and adding Subsection (c) to read as follows:

(b) The commissioner may fix different rates that reflect the geographic location of the title agent, the type of property to be insured, the amount of business written by the title insurance agent, and any other factors that may affect the cost of providing title insurance.

(c) The premium rates fixed by the commissioner must be:

(1) reasonable as to the public; and

(2) nonconfiscatory as to title insurance companies and title insurance agents.

SECTION 2. The change in law made by Section 2703.152, Insurance Code, as amended by this Act, applies only to a rate effective on or after January 1, 2012. A rate effective before January 1, 2012, is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2011.