

By: Dean

H.B. No. 5198

A BILL TO BE ENTITLED

AN ACT

relating to a study of title insurance rates in Texas and other states.

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

SECTION 1. DEFINITIONS. In this Act, "Department" means the Texas Department of Insurance.

SECTION 1. STUDY. (a) The department shall conduct a comprehensive study on the current rate setting system in Texas and the impact of enacting alternative rate regulatory models used in other states. The study shall include the impact of these alternative rate regulatory models on market competition, and consumer protection, and whether the models would lead to adequate and not excessive rates in the title insurance industry in Texas. The study must include, but not be limited to, the following components:

(1) A comparative analysis of the overall cost of title insurance rates in Texas with those in other states, both regulated and deregulated;

(2) Title insurance claims, premiums, paid losses, incurred losses, expenses, investment income, and other rate factors, to be reported annually in total numbers and as a percentage of insurance premiums in Texas and other states;

(3) An assessment of the potential impact of enacting alternative rate regulatory models used in other states on market

1 competition in the title insurance industry in Texas, including the
2 impacts on consumers, title insurers, and the real estate market;
3 and

4 (4) Recommendations for any legislative or regulatory
5 changes based on the findings of the study.

6 SECTION 3. REPORT. The department shall prepare a report
7 with the conclusions of the study and submit the report to the
8 legislature not later than December 1, 2026.

9 SECTION 4. EXPIRATION. This Act expires January 1, 2027.

10 SECTION 5. EFFECTIVE DATE. This Act takes effect September
11 1, 2025.