

Title 20--DEPARTMENT OF INSURANCE, FINANCIAL INSTITUTIONS
AND PROFESSIONAL REGISTRATION
Division 500--Property and Casualty
Chapter 7—Title

PROPOSED RULE

20 CSR 500-7.020 Scope and Definitions.

PURPOSE: This rule sets out the scope of the rules in this chapter and provides definitions to aid in the interpretation of the rules in this chapter.

(1) Applicability of Rules. The rules in this chapter apply to title insurers, title agencies and title agents transacting the business of insurance in this state under chapter 381, RSMo. The rules shall be read together with chapter 536, RSMo.

(2) Definitions. As used in this chapter, the following terms shall mean:

- (A) “Charge”, as defined in section 381.031.4, RSMo, 1994;
- (B) “Closing protection letter”, a letter issued on behalf of a title insurer, which indemnifies a buyer, lender, or seller solely against losses not to exceed the amount of settlement funds because of the acts set forth in section 381.058, RSMo;
- (C) “Closing protection fee”, the consideration paid by or on behalf of the buyer, borrower, lender or seller for a closing protection letter calculated from the rate filed with the director;
- (D) “Director”, the director of the department;
- (E) “Department”, the department of insurance, financial institutions and professional registration;
- (F) “Risk rate”, the total consideration paid by or on behalf of the insured for a title insurance policy. Risk rate shall include the title insurance agent’s commission but shall not include any charge as defined in section 381.031.4, RSMo, 1994;
- (G) “Residential real estate transaction”, the sale, purchase, financing or refinancing of a house or other dwelling designed principally for the occupancy of from one to four families, but does not include transactions involving real estate designed for business, commercial or agricultural purposes;
- (H) “Title insurance premium”, the premium in a title insurance transaction;
- (I) “Title service charge”, any charge as defined in this rule, except for any closing protection fee or any fee for the handling of escrows, settlements or closing;
- (J) “Premium”, as defined in section 381.031.14, RSMo, 1994, and reviewed under section 381.171, RSMo, 1994; and
- (K) “Price estimate”, a good faith estimate or prediction of prices based upon information presented at the time of the estimate.

AUTHORITY: sections 374.045 and 381.042, RSMo.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500.00) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500.00) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: A public hearing will be held on this proposed amendment at 10:00 a.m. on February 26, 2008. The public hearing will be held at the Harry S. Truman State Office Building, 301 West High Street, Room 530, Jefferson City, MO. Opportunities to be heard at the hearing shall be afforded to any interested person. Interested persons, whether or not heard, may submit a written statement in support or in opposition to the proposed amendment, until 5:00 p.m. on February 26, 2008. Written statements shall be sent to Tamara Kopp, Department of Insurance, Financial Institutions and Professional Registration, P.O. Box 690, Jefferson City, MO 65102.

SPECIAL NEEDS: If you have any special needs addressed by the Americans with Disabilities Act, please notify us at (573) 751-6798 or (573) 751-2619 at least five working days prior to the hearing.