

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

EMERGENCY RULE

20 CSR 500-7.130 Insurance and Closing Protection Form Filings.

PURPOSE: This regulation prescribes requirements for forms to be used in this state and filing procedures with the director.

EMERGENCY STATEMENT: This emergency rule outlines filing requirements for title insurance commitments, policies, closing protection forms and other forms . This emergency rule is necessary to preserve the public welfare of Missouri citizens by ensuring that the public, title insurers, title agencies and title agencies understand the requirements outlined in Senate Bill 66, Laws 2007. Between July 2007 and the present, the department has met with title agents, most of whom represented small businesses, to discuss how to best implement the new requirements in Senate Bill 66, Laws 2007. The relevant portions of Senate Bill 66 take effect on January 1, 2008, and the industry has expressed to the department that it requires further guidance on how it is expected to comply. As a result, the Missouri Department of Insurance, Financial Institutions and Professional Registration finds an immediate danger to the public welfare and a compelling governmental interest, which requires emergency action. The scope of this emergency rule is limited to the conditions creating the emergency and complies with the protections extended in the Missouri and United States Constitutions. In developing this emergency rule, representatives of the insurance industry were consulted. The department believes this emergency rule is fair to all interested persons and parties under the circumstances. This emergency rule was filed on January 16, 2008, effective January 28 2008, and expires July 14, 2008.

(1) Title Insurance Commitments, Policies and other Forms.

(A) No title insurer in this state shall issue or agree to issue any standard form of title insurance binder, title insurance commitment, preliminary report, title insurance policy, title insurance form endorsement, other contract of title insurance or any related form unless the forms have been filed with the director as required by section 381.085, RSMo. A form is standard if the form is to be applied in more than one instance. The filing must be received by the director at least thirty (30) days before the use of the form.

(B) No policy, standard form endorsement or simultaneous instrument which provides title insurance coverage shall be issued unless it contains the premium collected for the issuance of the policy as calculated from the filed risk rate for the policy.

(2) Closing Protection Letters.

(A) No title insurer, agency or agent in this state shall issue or agree to issue a closing protection letter unless the form has been filed with the director as required by section 381.085, RSMo. The filing shall be received by the director at least thirty (30) days before the use of the form.

(B) The terms of coverage of closing protection letters used to satisfy the requirements of 381.022.5 or 381.058, RSMo, shall be consistent with the applicable Closing Protection Letter form (Form T-8 or Form T-9), or any form that substantially comports with the specified form, approved by the director in Rule 20 CSR 500-7.030. Any such form may be modified by the insurer by striking the two provisions that limit liability to five million dollars (\$5,000,000).

(3) Filing Fees. The filing fee for forms filed under this rule is fifty dollars (\$50) per filing as required by section 374.230(5), RSMo.

(4) Insured closing letters issued pursuant to sections 381.400 to 381.405, RSMo, are not closing protection letters for purposes of this rule. Insured closing letters shall not be used to satisfy the requirements of sections 381.022.5 or 381.058, RSMo. Insured closing letters are not required to be filed with the director under section 381.085, RSMo, unless a fee is charged for the insured closing letter.

*AUTHORITY: Sections 374.045, 381.042, 381.118, RSMo (Supp. 2007). Emergency Rule Filed January 16, 2008, effective January 28, 2008 and expires July 14, 2008. A proposed rule covering this same material is published in this issue of the **Missouri Register**.*