

FINAL BILL REPORT

SSB 5310

C 202 L 03
Synopsis as Enacted

Brief Description: Establishing bond requirements for title insurance agent licenses.

Sponsors: Senate Committee on Financial Services, Insurance & Housing (originally sponsored by Senators Morton, Hargrove and Haugen).

Senate Committee on Financial Services, Insurance & Housing
House Committee on Financial Institutions & Insurance

Background: The Office of the Insurance Commissioner regulates title insurance companies and agents, including the escrow activities of title insurance companies and agents.

If a title insurance company has a valid certificate of authority and a title agent is duly licensed, they may conduct the business of an escrow agent and are exempt from escrow licensing and escrow agent financial responsibility, which includes fidelity bonds and surety bonds.

Summary: When applying for or renewing a title agent license, if the applicant conducts the business of an escrow agent, the applicant must provide satisfactory evidence of financial responsibility, as is required of licensed escrow agents.

The title agent must have evidence of a fidelity bond providing coverage in the aggregate amount of \$200,000, or with a deductible no greater than \$10,000, or fidelity insurance and evidence of a surety bond in the amount of \$10,000, unless the fidelity bond does not have a deductible.

For title insurance agents conducting the business of an escrow agent, the fidelity and surety bonds are required prior to the agent's authority to transact escrow business in this state.

Votes on Final Passage:

Senate	47	1	
House	92	0	(House amended)
Senate			(Senate refused to concur)
House			(House refused to recede)
Senate	46	1	(Senate concurred)

Effective: July 27, 2003