

NAIC CONSUMER LIAISON
REPRESENTATIVE RECOMMENDATION
TO THE EXECUTIVE COMMITTEE

(Please send completed form to Lois Alexander for processing)

RECOMMENDED BY: Birny Birnbaum and Brenda Cude

DATE: August 16, 2014 (see 11/16/15 update below)

ISSUE: Strengthen title insurance consumer information, education and disclosures

COMMITTEE REFERRAL RECOMMENDATION:

(A)_____ (B) _____ (C) xx (D)_____ (E)_____ (F)_____ (G)_____

ACTION REQUESTED/CHARGE RECOMMENDED:

- Revise the title agent and title insurer model law to require one-page disclosure at time of referral to title insurer to alert consumer to key right to shop for and select the provider of title insurance and settlement services and to require disclosure of financial interest in referral by person making referral. See attached for example.
- Review and evaluate the use and effectiveness of states' consumer information, education and disclosures related to title insurance and settlement services. Report findings.
- Collaborate with the Consumer Financial Protection Bureau and other agencies with regulatory responsibilities for mortgage lending and settlement services when developing consumer information, education and disclosures for title insurance and settlement services.

NAIC ACTION:

RECOMMENDATION ACCEPTED: _____

RECOMMENDATION DECLINED: _____

STATUS UPDATE

At the Fall National Meeting, Exec/Plenary will consider a "Title Insurance Consumer Shopping Tool Template" and "Options for Regulators to Distribute a Title Insurance Consumer Shopping Tool." In addition, the Title Insurance Consumer Shopping Tools (C) Working Group continues to work on a more concise tool for consumers. The Title Task Force will consider revised charges during the Fall National Meeting. Many of these issues remain on the revised charges, which can be found on the Working Group's webpage. 11/16/15

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