

DEPARTMENT OF REGULATORY AGENCIES

Division of Insurance

3 CCR 702-8

CONCERNING TITLE INSURANCE

Proposed New Regulation 8-1-5

TITLE INSURANCE AGENT LICENSING

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Section 1 Authority

This regulation is promulgated and adopted by the Commissioner of Insurance under the authority of §§ 10-1-108(7), 10-1-109, 10-2-104, 10-2-406, 10-11-116, and 10-11-119, C.R.S.

Section 2 Scope and Purpose

The purpose of this regulation is to set forth the title insurance agent licensing requirements.

Section 3 Applicability

This regulation governs title entities and does not extend the regulatory authority of the Colorado Division of Insurance ("Division") to any person other than title entities or persons transacting the business of title insurance.

Section 4 Definitions

- A. "Affiliated business arrangements" shall have the same meaning as found at § 10-11-102 (1), C.R.S. Affiliated business arrangements are distinct from controlled business arrangements, which are defined by § 10-2-401(4), C.R.S.
- B. "Title insurance agent" shall have the same meaning as found at § 10-11-102(9), C.R.S.

Section 5 Rules Regarding Agent Licensing

- A. To demonstrate compliance with § 10-11-116(2), C.R.S., the title agent or agency seeking licensure shall submit a notarized letter from an accountant verifying that upon a limited review of the title entity's books and records performed for this purpose, the accountant reasonably believes the title agent or agency has a net worth at least equal to the minimum amount set forth in § 10-11-116(2), C.R.S., or the title agent or agency possesses actual paid-in cash capital of at least the amount set forth in § 10-11-116 (2), C.R.S.

- B. Every title agent and agency shall disclose every affiliated business arrangement in a form acceptable to the Commissioner. Such disclosure shall be completed with every new or renewal license application and within thirty (30) days of any changes of the disclosed information.

Section 6 Severability

If any provision of this regulation or the application of it to any person or circumstance is for any reason held to be invalid, the remainder of this regulation shall not be affected.

Section 7 Enforcement

Noncompliance with this regulation may result in the imposition of any of the sanctions made available in the Colorado statutes pertaining to the business of insurance, or other laws, which include the imposition of civil penalties, issuance of cease and desist orders, and/or suspensions or revocation of license, subject to the requirements of due process.

Section 8 Effective Date

This regulation is effective February 1, 2017.

Section 9 History

New regulation effective February 1, 2017.