

NOTICE OF  
CHANGE IN PROPOSED RULE

- The agency identified below in box 1 provides notice of proposed rule change pursuant to Utah Code Section 63G-3-301 and Subsection 53C-1-201(3)(c).
- Please address questions regarding information on this notice to the agency.
- The full text of all rule filings is published in the Utah State Bulletin unless excluded because of space constraints.
- The full text of all rule filings may also be inspected at the Office of Administrative Rules.

Agency Information

1. Agency: Insurance - Administration  
 Room no.: 3110  
 Building: STATE OFFICE BLDG  
 Street address 1: 450 N MAIN ST  
 Street address 2:  
 City, state, zip: SALT LAKE CITY UT 84114-1201  
 Mailing address 1: PO BOX 146901  
 Mailing address 2:  
 City, state, zip: SALT LAKE CITY UT 84114-6901

Contact person(s):

Name:	Phone:	Fax:	E-mail:
Steve Gooch	801-538-3803	801-538-3829	sgooch@utah.gov

(Interested persons may inspect this filing at the above address or at DAR during business hours)

Rule Information

DAR file no: 42214 Date filed: 02/20/2018 03:11 PM  
 State Admin Rule Filing Key: 159926  
 Utah Admin. Code ref. (R no.): R 590 - 276 -  
 Changed to Admin. Code ref. (R no.): - -

Title

2. Title of rule or section (catchline):  
 Record Retention for Foreign Insurers, Alien Insurers, Commercially Domiciled Insurers, Foreign Title Insurers and Foreign Fraternal

Notice Type

3. Type of notice: Change in Proposed Rule  
 Changes original proposed rule file no.: 42214

Rule Purpose

4. Purpose of the rule or reason for the change:

The proposed rule is being changed to clarify differences in record retention requirements for foreign title transactions and escrow transactions involving real property. It also makes a number of general clarifications and grammatical changes.

Response Information

5. This change is a response to comments by the Administrative Rules Review Committee.

No

Rule Summary

6. Summary of the rule or change:

The change separates foreign title transactions and escrow transactions involving real property. It retains the 15-year retention requirement for foreign title transactions and clarifies that escrow transactions involving real property have a 3-year retention requirement. These retention periods are consistent with existing Insurance Department policy that is set forth in 31A-20-110(1) and 31A-23a-412(5), and clarified by Bulletin 2014-6. The rule change also adds a citation to the authority section, streamlines language to make it clearer and more accurate, and makes grammatical changes.

Aggregate Cost Information

7. Aggregate anticipated cost or savings to:

A) State budget:

Affected: No

There is no anticipated cost or savings to state budget. This rule change merely codifies and clarifies existing practices for licensees in the title and escrow industry. It requires no change in work by the Insurance Department.

B) Local government:

Affected: No

There is no cost or savings to local government. The rule change deals with the file retention requirements for title and escrow professionals and has no bearing on local government.

C) Small businesses:

Affected: No

("small business" means a business employing fewer than 50 persons)

There is no anticipated cost or savings to small business. Title and escrow licensees already retain records for 15 and 3 years respectively, so there is no change in how they will be required to do business. This change merely codifies and clarifies existing practices.

D) Persons other than small businesses, businesses, or local government entities:

Affected: No

("person" means any individual, partnership, corporation, association, governmental entity, or public or private organization of any character other than an agency)

There is no anticipated cost or savings to any other persons. Title and escrow licensees already retain records for 15 and 3 years respectively, so there is no change in how they will be required to do business. This change merely codifies and clarifies existing practices.

Compliance Cost Information

8. Compliance costs for affected persons:

There are no compliance costs for affected persons. Title and escrow licensees already retain records for the length of time described in the rule.

Department Head Comments

9. A) Comments by the department head on the fiscal impact the rule may have on businesses:

This change in proposed rule is not expected to have any fiscal impacts on large business' revenues or expenditures because title and escrow licensees already retain records for 15 and 3 years respectively, so there is no change in how they will be required to do business. This change merely codifies and clarifies existing practices. Todd E. Kiser, the head of the Insurance Department, has reviewed and approved this fiscal analysis.

B) Name and title of department head commenting on the fiscal impacts:

Todd E. Kiser, Insurance Commissioner

Citation Information

10. This rule change is authorized or mandated by state law, and implements or interprets the following state and federal laws.

State code or constitution citations (required) (e.g., Section 63G-3-402; Subsection 63G-3-601(3); Article IV) :

31A-2-201

31A-14-205.5(5)(a)

31A-23a-412(5)

Incorporated Materials

11. This rule adds, updates, or removes the following title of materials incorporated by reference (a copy of materials incorporated by reference must be submitted to DAR; if none, leave blank) :

<p>Official Title of Materials Incorporated (from title page):</p> <p>Publisher:</p> <p>Date Issued:</p> <p>Issue, or version:</p> <p>ISBN Number:</p> <p>ISSN Number:</p> <p>Cost of Incorporated Reference:</p> <p>Adds, updates, removes:</p>
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Comments

12. The public may submit written or oral comments to the agency identified in box 1. (The public may also request a hearing by submitting a written request to the agency. The agency is required to hold a hearing if it receives requests from ten interested persons or from an association having not fewer than ten members. Additionally, the request must be received by the agency not more than 15 days after the publication of this rule in the Utah State Bulletin. See Section 63G-3-302 and Rule R15-1 for more information.)

A) Comments will be accepted until 5:00 p.m. on (mm/dd/yyyy) :

04/16/2018

B) A public hearing (optional) will be held:

On (mm/dd/yyyy): At (hh:mm AM/PM): At (place):

Proposed Effective Date

13. This rule change may become effective on (mm/dd/yyyy):

04/23/2018

NOTE: The date above is the date on which this rule MAY become effective. It is NOT the effective date. After a minimum of seven days following the date designated in Box 12(A) above, the agency must submit a Notice of Effective Date to the Office of Administrative Rules to make this rule effective. Failure to submit a Notice of Effective Date will result in this rule lapsing and will require the agency to start the rulemaking process over.

Indexing Information

14. Indexing information - keywords (maximum of four, in lower case, except for acronyms (e.g., "GRAMA") or proper nouns (e.g., "Medicaid")):

insurance  
record retention

File Information

15. Attach an RTF document containing the text of this rule change (filename):

There is a document associated with this rule filing.

To the Agency

Information requested on this form is required by Sections 63G-3-301, 302, 303, and 402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the Utah State Bulletin, and delaying the first possible effective date.

Agency Authorization

Agency head or designee, and title:

Steve Gooch Information  
Specialist

Date (mm/dd/yyyy): 02/20/2018