

State of Utah
Administrative Rule Analysis
Revised May 2024

NOTICE OF SUBSTANTIVE CHANGE

TYPE OF FILING: Amendment

Rule or Section Number:

R592-10

Filing ID: Office Use Only

Date of Previous Publication (Only for CPRs):

Click or tap to enter a date.

Agency Information

1. Title catchline:	Insurance, Title and Escrow Commission	
Building:	Taylorsville State Office Building	
Street address:	4315 S. 2700 W.	
City, state	Taylorsville, UT	
Mailing address:	PO Box 146901	
City, state and zip:	Salt Lake City, UT 84114-6901	
Contact persons:		
Name:	Phone:	Email:
Steve Gooch	801-957-9322	sgooch@utah.gov
Please address questions regarding information on this notice to the persons listed above.		

General Information

2. Rule or section catchline:
R592-10. Assessment for the Title Licensee Enforcement Restricted Account
3. Purpose of the new rule or reason for the change:
This rule contains a reference to Rule R590-102, which was recently repealed. The change is necessary to notify title insurers about how the Department sets the annual title insurer assessment. A separate change updates the type of employee the assessment covers. The Title & Escrow Commission approved these changes in a July 8, 2024 meeting by a vote of 5-0.
4. Summary of the new rule or change:
The rule filing updates a reference to the former Rule R590-102 to now point to the fee setting process contained in Section 63J-1-504. It also changes the type of employee covered by the assessment to be "one full-time equivalent employee" instead of a specific job title. This allows the Department flexibility in hiring a well-qualified candidate to fulfill requirements imposed in SB 31, passed during the 2024 General Session, that require a high degree of financial background and rigor.

Fiscal Information

5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:
A) State budget:
There is no anticipated cost or savings to state budget. The annual title insurer assessment will continue to apply, but will now be set by the Legislature in statute instead of the Department setting it in rule.
B) Local governments:
There is no anticipated cost or savings to local governments. This rule governs the relationship between the Department and its licensees and does not apply to local governments in any way.
C) Small businesses ("small business" means a business employing 1-49 persons):
There is no anticipated cost or savings to small businesses. The annual title insurer assessment applies only to title insurers licensed in Utah, none of which has fewer than 50 employees.
D) Non-small businesses ("non-small business" means a business employing 50 or more persons):
There is no anticipated cost or savings to non-small businesses. The annual title insurer assessment will continue to apply, but will now be set by the Legislature in statute instead of the Department setting it in rule.

E) Persons other than small businesses, non-small businesses, state, or local government entities ("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. The annual title insurer assessment only applies to title insurers and will not affect any other persons.

F) Compliance costs for affected persons (How much will it cost an impacted entity to adhere to this rule or its changes?):

There is no compliance cost for any affected persons. The annual title insurer assessment will continue to apply, but will now be set by the Legislature in statute instead of the Department setting it in rule.

G) Regulatory Impact Summary Table (This table only includes fiscal impacts that could be measured. If there are inestimable fiscal impacts, they will not be included in this table. Inestimable impacts will be included in narratives above.)

Regulatory Impact Table			
Fiscal Cost	FY2025	FY2026	FY2027
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Cost	\$0	\$0	\$0
Fiscal Benefits	FY2025	FY2026	FY2027
State Government	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0
Total Fiscal Benefits	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0

H) Department head comments on fiscal impact and approval of regulatory impact analysis:

The Commissioner of the Insurance Department, Jonathan T. Pike, has reviewed and approved this regulatory impact analysis.

Citation Information

6. Provide citations to the statutory authority for the rule. If there is also a federal requirement for the rule, provide a citation to that requirement:

Subsection 31A-2-404(2)(d)	Subsection 31A-23a-415(2)(d)	

Incorporations by Reference Information

7. Incorporations by Reference (if this rule incorporates more than two items by reference, please include additional tables):

A) This rule adds or updates the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	
Publisher	
Issue Date	
Issue or Version	

B) This rule adds or updates the following title of materials incorporated by references (a copy of materials incorporated by reference must be submitted to the Office of Administrative Rules; *if none, leave blank*):

Official Title of Materials Incorporated (from title page)	
---	--

Publisher	
Issue Date	
Issue or Version	

Public Notice Information

8. 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. See Section 63G-3-302 and Rule R15-1 for more information.)		
A) Comments will be accepted until:		09/03/2024
B) A public hearing (optional) will be held:		
Date (mm/dd/yyyy):	Time (hh:mm AM/PM):	Place (physical address or URL):
To the agency: If more space is needed for a physical address or URL, refer readers to Box 4 in General Information. If more than two hearings will take place, continue to add rows.		

9. This rule change MAY become effective on:	09/10/2024
NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date.	

Agency Authorization Information

To the agency: Information requested on this form is required by Sections 63G-3-301, 63G-3-302, 63G-3-303, and 63G-3-402. Incomplete forms will be returned to the agency for completion, possibly delaying publication in the <i>Utah State Bulletin</i> and delaying the first possible effective date.			
Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	07/15/2024

R592. Insurance, Title and Escrow Commission.

R592-10. Assessment for the Title Licensee Enforcement Restricted Account.

R592-10-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Subsections 31A-2-404(2)(d) and 31A-23a-415(2)(d).

R592-10-2. Purpose and Scope.

- (1) The purpose of this rule is to:
 - (a) determine the assessment on a title insurer and an agency title insurance producer;
 - (b) establish the costs and expenses covered by the assessment;
 - (c) require a title insurer and an agency title insurance producer to report the mailing address and physical location of each office in each county where the title insurer or agency title insurance producer maintains an office;
 - (d) calculate the number of title insurer or agency title insurance producer offices; and
 - (e) determine the premium year used in calculating the assessment of title insurers.
- (2) This rule applies to each title insurer and each agency title insurance producer.

R592-10-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301, 31A-2-402, and 31A-23a-415. Additional terms are defined as follows:

- (1)(a) "Office" means each physical location of a title insurer or an agency title insurance producer in a county.
- (b) "Office" includes any physical location that is open and available to the public.

R592-10-4. Costs and Expenses.

The assessment under Section 31A-23a-415 covers the cost of [a Market Conduct Examiner I] one full-time equivalent employee, as determined by the department's budget and approved by the [legislature] Legislature, including:

- (1) salary and state paid benefits;
- (2) travel expenses, including daily vehicle expenses;
- (3) computer hardware and software expenses;
- (4) e-commerce expenses;
- (5) wireless communications expenses; and
- (6) training expenses.

R592-10-5. Office Report.

(1) A title insurer and an agency title insurance producer shall submit a completed Office Report Form [~~not later than~~ within 30 days after the date a change described in this subsection occurs in a county where the title insurer or agency title insurance producer maintains an office:

- (a) the opening or closing of an office; or
- (b) a change of address of an office.

(2) An Office Report Form shall be submitted electronically via email to licensing.uid@utah.gov.

(3) The department's Office Report Form is available on the department's website, <https://insurance.utah.gov>.

(a) [~~An actual~~] A copy of the form may be used or may be adapted to a particular word processing system.

(b) If adapted, the content, size, font, and format must be similar.

(4) All offices reported under Section R592-10-5 are used to calculate the assessment.

(5) An annual assessment calculation for a title insurer or an agency title insurance producer that uses an incorrect number of offices because the number of offices was incorrectly reported will not be recalculated.

R592-10-6. Premium Year for Title Insurer Assessment.

The title insurance assessment is calculated using direct premium written during the preceding calendar year and shall be taken from the insurer's annual statements for that year.

R592-10-7. Assessment Payment.

(1) An annual assessment shall be paid by the due date on the invoice.

(2) Payments shall be made in [~~accordance with Rule R590-102, Insurance Department Fee Payment Rule~~] an amount annually established by the Utah Legislature under Section 63J-1-504.

R592-10-8. Severability.

If any provision of this rule, Rule R592-10, or its application to any person or situation is held invalid, such invalidity does not affect any other provision or application of this rule that can be given effect without the invalid provision or application. The remainder of this rule shall be given effect without the invalid provision or application.

KEY: title insurance

Date of Last Change: 2024[~~October 12, 2021~~]

Notice of Continuation: July 7, 2023

Authorizing, and Implemented or Interpreted Law: 31A-2-201; 31A-23a-415

!--dar--