

State of Utah
Administrative Rule Analysis
Revised June 2021

NOTICE OF PROPOSED RULE		
TYPE OF RULE: New ___; Amendment _x_; Repeal ___; Repeal and Reenact ___		
Title No. - Rule No. - Section No.		
Utah Admin. Code Ref (R no.):	R592-10	Filing ID (Office Use Only)
Changed to Admin. Code Ref. (R no.):	R	

Agency Information

1. Department:	Insurance	
Agency:	Title and Escrow Commission	
Room no.:	Suite 2300	
Building:	Taylorsville State Office Building	
Street address:	4315 S. 2700 W.	
City, state and zip:	Taylorsville, UT 84129	
Mailing address:	PO Box 146901	
City, state and zip:	Salt Lake City, UT 84114-6901	
Contact person(s):		
Name:	Phone:	Email:
Steve Gooch	801-957-9322	sgooch@utah.gov
Please address questions regarding information on this notice to the agency.		

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 (Why is the agency submitting this filing?):
The rule is being changed in compliance with Executive Order 2021-12. During the review of this rule, the department discovered a number of minor issues that needed to be amended. The Title & Escrow Commission approved these changes in an August 9, 2021 meeting by a vote of 5-0.
4. Summary of the new rule or change (What does this filing do? If this is a repeal and reenact, explain the substantive differences between the repealed rule and the reenacted rule):
The majority of the changes are being done to fix style issues to bring the rule text more in line with current rulewriting standards and to make the language of the rule more clear. It also updates the Severability section to use the department's current language. It does not add, remove, or change any regulations or requirements.

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 the state budget. The changes are clerical in nature and do not add, remove, or change regulations.
B) Local governments:
There is no anticipated cost or savings to local governments. This rule applies to insurance licensees and has no bearing on local governments.
C) Small businesses ("small business" means a business employing 1-49 persons):
There is no anticipated cost or savings to small businesses. The changes are clerical in nature and do not add, remove, or change regulations.
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 changes are clerical in nature and do not add, remove, or change regulations.

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 changes are clerical in nature and do not add, remove, or change regulations.

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

There are no compliance costs for any affected persons. Any affected persons are already required to comply with the provisions of the rule, and the changes do not add, remove, or change regulations.

G) Comments by the department head on the fiscal impact this rule may have on businesses (Include the name and title of the department head):

After conducting a thorough analysis, it was determined that this proposed rule amendment will not result in a fiscal impact to businesses. — Jonathan T. Pike, Insurance Commissioner

6. A) 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	FY2022	FY2023	FY2024
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			
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

B) Department head approval of regulatory impact analysis:

The Commissioner of Insurance, Jonathan T. Pike, has reviewed and approved this fiscal analysis.

Citation Information

7. 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

(If this rule incorporates more than two items by reference, please include additional tables.)

8. A) This rule adds, updates, or removes 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*):

	First Incorporation
Official Title of Materials Incorporated (from title page)	
Publisher	

Date Issued	
Issue, or version	

B) This rule adds, updates, or removes 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*):

	Second Incorporation
Official Title of Materials Incorporated (from title page)	
Publisher	
Date Issued	
Issue, or version	

Public Notice Information

9. 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 (mm/dd/yyyy): 10/01/2021

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

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

10. This rule change MAY become effective on (mm/dd/yyyy): 10/08/2021

NOTE: The date above is the date the agency anticipates making the rule or its changes effective. It is NOT the effective date. To make this rule effective, the agency must submit a Notice of Effective Date to the Office of Administrative Rules on or before the date designated in Box 10.

Agency Authorization Information

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 head or designee, and title:	Steve Gooch, Public Information Officer	Date (mm/dd/yyyy):	08/13/2021
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R592. Insurance, Title and Escrow Commission.

R592-10. [~~Title Insurance Regulation~~]-Assessment for the Title Licensee Enforcement Restricted Account[~~Agency Title Insurance Producers and Title Insurers~~].

R592-10-1. Authority.

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

- _____ (1) ~~31A-2-404(2)(d) which requires the Commission to determine by rule the assessment required by 31A-23a-415; and~~
- _____ (2) ~~31A-23a-415(2)(d) which requires the Commission to establish the amount of costs and expenses that will be covered by the assessment].~~

R592-10-2. Purpose and Scope.

(1) The purpose[s] of this rule ~~are~~ is to:

(a) determine the assessment on a title insurer and an agency title insurance producer;

(b) establish the [categories of] costs and expenses covered by the assessment[~~incurred by the department in administering, investigating and enforcing the provisions of Title 31A, Chapter 23a, Parts IV and V related to the marketing of title insurance and the audits of agency title insurance producers~~];

(~~[b]~~c) require [~~the reporting by~~] a title insurer and an agency title insurance producer [~~and a title insurer of~~] to report the mailing address and physical location of each office in each county where the title insurer or agency title insurance producer [~~or title insurer~~] maintains an office;

~~([e]d)~~ ~~[establish a calculation method for the calculation of]~~ calculate the number of title insurer or agency title insurance producer ~~[or title insurer]~~ offices; and

~~([d]e)~~ determine the premium year used in calculating the assessment of title insurers.

(2) This rule applies to ~~[all]~~ each title insurer[s] and each agency title insurance producer[s].

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) [For the purpose of the rule the Commission adopts the definitions as set forth in Sections 31A-1-301, 31A-2-402, and the following:~~

~~_____]~~ (a) "Office" means each physical location of a title insurer or an agency title insurance producer ~~[or a title insurer]~~ in a county.

~~_____]~~ (b) "Office" includes any physical location that is open and available to the public.

R592-10-4. Costs and Expenses.

The ~~[amount of costs and expenses that will be covered by the]~~ assessment ~~[imposed by]~~ under Section 31A-23a-415 covers the cost of ~~[for any fiscal year in which an assessment exists:~~

~~_____]~~ (1) ~~will be for]~~ a Market Conduct Examiner I₂ as determined by the department's budget ~~[as]~~ and approved by the ~~[Utah State L]~~ legislature, including ~~[any approved salary increases or increases in benefits; and~~

~~_____]~~ (2) ~~will include the following expenses]:~~

~~([a]1)~~ salary and state paid benefits;

~~([b]2)~~ travel expenses, including daily vehicle expenses;

~~([c]3)~~ computer hardware and software expenses;

~~([d]4)~~ e-commerce expenses;

~~([e]5)~~ wireless communications expenses; and

~~([f]6)~~ training expenses.

R592-10-5. Office Report.

(1) A title insurer and an agency title insurance producer ~~[and a title insurer]~~ shall submit a completed Office Report Form not later than 30 days after the date a change described ~~[below]~~ in this Subsection occurs in a county where the title insurer or agency title insurance producer ~~[or title insurer]~~ 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 ~~[, which]~~ is available on the department's website, <https://insurance.utah.gov> ~~[, shall be used to report changes in offices].~~

(a) An actual 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.

~~R592-10-6. Calculation Method for the Calculation of the Number of Agency Title Insurance Producer Offices.]~~

~~([1]4)~~ All offices reported ~~[in accordance with]~~ under Section R592-10-5 are used to calculate the ~~[will be included in the calculation of the title insurance]~~ assessment.

~~([2]5)~~ An annual assessment calculation for a title insurer or an agency title insurance producer ~~[or title insurer that is calculated using]~~ that uses an incorrect number[s] of offices because the number of offices was incorrectly reported will not be recalculated[-

~~_____]~~ (3) An agency title insurance producer or title insurer found to have improperly reported their offices may be subject to penalties in accordance with Section R592-10-9].

~~R592-10-7]6. Premium Year for Title Insurer Assessment.~~

~~([1-])~~ The title insurance assessment ~~[shall be]~~ is calculated using direct premium[s] written during the preceding calendar year and ~~[-~~

~~_____]~~ (2) ~~The direct premiums written]~~ shall be taken from the insurer's annual statements for that year.

~~R592-10-8]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.

~~R592-10-9. Penalties.~~

~~_____]~~ A person found, after a hearing or other regulatory process, to be in violation of this rule shall be subject to penalties as provided under 31A-2-308.

~~R592-10-10. Enforcement Date.~~

~~_____]~~ The commissioner will begin enforcing this rule 45 days from the rule's effective date.

R592-10-11]8. Severability.

~~[If any provision or clause of this rule or its application to any person or situation is held invalid, that invalidity will not affect any other provision or application of this rule which can be given effect without the invalid provision or application, and to this end the provisions of this rule are declared to be severable.]~~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 Enactment or Last Substantive Amendment: November 9, 2018

Notice of Continuation: July 10, 2018

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