

**State of Utah**  
**Administrative Rule Analysis**  
Revised May 2024

**NOTICE OF SUBSTANTIVE CHANGE**

**TYPE OF FILING:** Amendment

**Rule or Section Number:**

**R592-11**

**Filing ID: Office Use Only**

**Date of Previous Publication (Only for CPRs):**

Click or tap to enter a date.

**Agency Information**

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

**General Information**

<b>2. Rule or section catchline:</b>
R592-11. Title Insurance Producer Annual Reports
<b>3. Purpose of the new rule or reason for the change:</b>
The rule is being amended due to changes passed by the legislature in SB 31 during the 2024 General Session. The Title and Escrow Commission approved the proposed changes to this rule by a vote of 5-0 at its November 25, 2024, meeting.
<b>4. Summary of the new rule or change:</b>
The amendment updates the deadline by which a title insurance licensee must submit a Title Insurance Producer Annual Report, adds a verified statement of financial condition and a list of contracted underwriters to the annual report, and updates the address of the Department's file upload site. It also removes the requirement that an individual title agent submit an annual report.

**Fiscal Information**

<b>5. Provide an estimate and written explanation of the aggregate anticipated cost or savings to:</b>
<b>A) State budget:</b>
There is no anticipated cost or savings to state government. The additional information will be reviewed by the Department's title insurance auditor as part of their regular duties.
<b>B) Local governments:</b>
There is no anticipated cost or savings to local governments. This rule applies only to licensees of the Insurance Department and will not impact local governments in any way.
<b>C) Small businesses</b> ("small business" means a business employing 1-49 persons):
The Department anticipates that there will be a cost to agency title insurance producers that are small businesses to prepare the verified statement of annual condition. Because the cost to prepare that statement relies on market factors outside the Department's control (e.g., the hourly rate for an insurance agency employee to prepare the report), the Department cannot estimate the aggregate cost. However, agencies should have easy access to the requested information and the Department expects the cost to be minimal.
<b>D) Non-small businesses</b> ("non-small business" means a business employing 50 or more persons):

The Department anticipates that there will be a cost to agency title insurance producers that are non-small businesses to prepare the verified statement of annual condition. Because the cost to prepare that statement relies on market factors outside the Department's control (e.g., the hourly rate for an agency employee to prepare the report), the Department cannot estimate the aggregate cost. However, agencies should have easy access to the requested information and the Department expects the cost to be minimal.

**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 are no anticipated cost or savings to any other person. The only persons required to file the Title Insurance Producer Annual report are agency title insurance producers.

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

The Department has not imposed a cost for any affected person to comply with this rule. However, the Department anticipates that there will be a compliance cost for agency title insurance producers to prepare the verified statement of annual condition. Because the cost to prepare that statement relies on market factors outside the Department's control (e.g., the hourly rate for an agency employee to prepare the report), the Department cannot estimate the aggregate cost. However, agencies should have easy access to the requested information and the Department expects the cost to be minimal.

**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**

<b>Fiscal Cost</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
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
<b>Total Fiscal Cost</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Fiscal Benefits</b>	<b>FY2025</b>	<b>FY2026</b>	<b>FY2027</b>
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
<b>Total Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Net Fiscal Benefits</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**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:**

Section 31A-2-404	Section 31A-23a-406	Section 31A-23a-413

**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*):

<b>Official Title of Materials Incorporated (from title page)</b>	
<b>Publisher</b>	

<b>Issue Date</b>	
<b>Issue or Version</b>	

**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*):

<b>Official Title of Materials Incorporated (from title page)</b>	
<b>Publisher</b>	
<b>Issue Date</b>	
<b>Issue or Version</b>	

**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:** 01/14/2025

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

<b>Date (mm/dd/yyyy):</b>	<b>Time (hh:mm AM/PM):</b>	<b>Place (physical address or URL):</b>

**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:** 01/21/2025

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 *Utah State Bulletin* and delaying the first possible effective date.

<b>Agency head or designee and title:</b>	Steve Gooch, Public Information Officer	<b>Date:</b>	11/27/2024
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**R592. Insurance, Title and Escrow Commission.**

**R592-11. Title Insurance Producer Annual Reports.**

**R592-11-1. Authority.**

This rule is promulgated by the Title and Escrow Commission pursuant to Sections 31A-2-404, 31A-23a-406, and 31A-23a-413.

**R592-11-2. Purpose and Scope.**

(1) The purpose of this rule is to establish the requirements of and a filing deadline for the Title Insurance Producer Annual Report required by Section 31A-23a-413.

(2) This rule applies to an agency title insurance producer~~[-and an individual title insurance producer]~~.

**R592-11-3. Title Insurance Producer Annual Report.**

(1) ~~[The following]~~ An agency title insurance producer shall file a Title Insurance Producer Annual Report not later than ~~April 30~~ May 1 of each year~~[-~~

~~(a) an agency title insurance producer; and~~

~~(b) an individual title insurance producer who is not an employee of a title insurer or who has not been designated to an agency title insurance producer]~~.

(2) A Title Insurance Producer Annual Report shall include:

(a) the number and location of each title or escrow trust account;

(b) proof of financial protection under Subsection 31A-23a-204(2)(a);

(c) the name of the individual title insurance producer designated as the "qualifying licensee" under Subsection 31A-23a-204(1);

(d) the physical address in Utah maintained by an agency title insurance producer~~[-or an individual title insurance producer under Subsection 31A-23a-406(1)(g)]~~~~[-and]~~

(e) the physical address of each Utah branch office maintained by an agency title insurance producer~~[-or an individual title~~

~~insurance producer.];~~

(f) a verified statement of the agency title insurance producer's financial condition, transactions, and affairs of the preceding two calendar years, including:

(i) a balance sheet;

(ii) a cash flow statement; and

(iii) an income statement; and

(g) a list of all currently contracted underwriters.

**R592-11-4. Electronic Filing of Title Insurance Producer Annual Report.**

The Title Insurance Producer Annual Report shall be submitted electronically using the department's secure file upload site located at [~~<https://forms.uid.utah.gov/fileUploads/>~~]<https://portal.uid.utah.gov/sife>.

**R592-11-5. Severability.**

If any provision of this rule, Rule R592-11, 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: May 27, 2022**

**Notice of Continuation: June 14, 2021**

**Authorizing, and Implemented or Interpreted Law: 31A-2-404(2)(a); 31A-23a-406(1)(g); 31A-23a-413; 31A-23a-503(8)**