

State of Utah
Administrative Rule Analysis
Revised May 2026

NOTICE OF SUBSTANTIVE CHANGE

TYPE OF FILING: New	Filing ID: OFFICE USE ONLY
Rule or section number:	R592-19
Date of previous publication (only for CPRs):	

1. Agency Information

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

2. 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.

3. General Information

A. Rule or section catchline:
R592-19. Winding Down the Business of a Resident Agency Title Insurance Producer
B. Purpose of the new rule or reason for the change:
The purpose of this rule is to provide a process for winding down the business of a resident agency title insurance producer.
C. Summary of the new rule or change:
The new rule sets the required actions an agency title insurance producer ("agency") must take in preparation for winding down its business. Some of these steps are required of currently active agencies to ensure they are prepared for the future. This rule requires that agencies create a wind down plan for their title and escrow files in the event of a wind down. As part of the annual report required by Section 31A-23a-413, they must review these plans annually and either provide an updated plan or certify that their existing plan is sufficient and needs no update. The rule also sets timelines for an agency to notify the Department and its underwriters in the event of a wind down; sets requirements for wind-down-related business reporting; describes an underwriter review process; and sets requirements for record storage, access, and accountability.

4. Legislative Action Information

A. Are any changes in this filing because of state legislative action?	Changes are because of legislative action.
B. If yes, any bill number and session:	HB 58 (2026 General Session)

5. Fiscal Information

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. Few agencies wind down each year, and any work added due to the requirements of this rule is expected to be incorporated into employees' existing workloads. If a title insurer is required to create an audit report of an agency, the insurer may be reimbursed by the state under Section 31A-41-203. The Department cannot estimate these costs because they will depend on several business-related factors the Department is not privy to.
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 affect local governments in any way.
C. Small businesses ("small business" means a business employing 1-49 persons):

A small businesses that is an agency making the decision to wind down will incur additional costs as a result of this rule. This rule requires certain reports be produced and provided to the Department and an agency's underwriters. Creation of the report itself will require work, and delivery of the report may incur delivery fees if not sent electronically. The Department cannot estimate these fees because they depend on the amount of time and pay rate of any employee of a licensee doing the work. These are business costs the Department is not privy to. After the wind down, a former agency is required to securely store records and provide access to an underwriter who needs them. This may also result in a cost, but it is also inestimable because it will depend on the storage method chosen and the time taken to provide access.

D. Non-small businesses ("non-small business" means a business employing 50 or more persons):

A non-small business that is a title insurer may incur some costs as a result of this rule, although these costs may be reimbursed by the state under Section 31A-41-203. The Department cannot estimate these costs because they will depend on several business-related factors the Department is not privy to.

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**):

A person who is a former agency may incur some costs as a result of this rule. After a wind down, a former agency is required to securely store records and provide access to an underwriter who needs them. This may also result in a cost, but it is also inestimable because it will depend on the storage method chosen and the time taken to provide access.

F. Compliance costs for affected persons:

There are no compliance costs for any affected persons

6. Regulatory Impact Summary Table

Enter the cost or savings in the relevant cell. If there is no cost or savings, enter, "\$0." If a cost or savings is inestimable, enter, "inestimable."

Fiscal Cost	FY2027	FY2028	FY2029	FY2030	FY2031
State Budget	inestimable	inestimable	inestimable	inestimable	inestimable
Local Governments	\$0	\$0	\$0	\$0	\$0
Small Businesses	inestimable	inestimable	inestimable	inestimable	inestimable
Non-Small Businesses	inestimable	inestimable	inestimable	inestimable	inestimable
Other Persons	inestimable	inestimable	inestimable	inestimable	inestimable
Total Fiscal Cost	inestimable	inestimable	inestimable	inestimable	inestimable
Fiscal Benefits	FY2027	FY2028	FY2029	FY2030	FY2031
State Budget	\$0	\$0	\$0	\$0	\$0
Local Governments	\$0	\$0	\$0	\$0	\$0
Small Businesses	\$0	\$0	\$0	\$0	\$0
Non-Small Businesses	\$0	\$0	\$0	\$0	\$0
Other Persons	\$0	\$0	\$0	\$0	\$0
Total Fiscal Benefits	\$0	\$0	\$0	\$0	\$0
Net Fiscal Benefits	\$0	\$0	\$0	\$0	\$0

7. Regulatory Impact Analysis Approval

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

8. Family Impact Information

A. The agency has considered this rule's impact on family health, stability, and formation: ☒

B. Summary of reasonable alternatives or modifications:

9. Citation Information

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(6)		

10. Incorporation by Reference Information

Incorporation 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 material incorporated by reference (a copy of the material incorporated by reference must be submitted to the Office of Administrative Rules. <i>If none, leave blank</i>):	
Official Title of Materials Incorporated (from title page)	
Publisher	
Issue Date	
Issue or Version	

B. This rule adds or updates the following title of material incorporated by reference (a copy of the material incorporated by reference must be submitted to the Office of Administrative Rules. <i>If none, leave blank</i>):	
Official Title of Materials Incorporated (from title page)	
Publisher	
Issue Date	
Issue or Version	

11. Public Notice Information

The public may submit written or oral comments to the agency identified in box 1.		
A. Comments will be accepted until:	11/16/2026	
B. A public hearing (optional) will be held (The public may request a hearing by submitting a written request to the agency, as outlined in Section 63G-3-302 and Rule R15-1.):		
Date:	Time (hh:mm AM/PM):	Place (physical address or URL):

To the agency: If more than one hearing is planned to take place, continue to add rows.

12. Effective Date Information

This rule change MAY become effective on: (NOTE: This is the date the agency anticipates making the filing effective. It is NOT the effective date)	11/23/2026
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13. 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. The office may return incomplete forms to the agency, 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:	09/24/2026

R592. Insurance, Title and Escrow Commission.

R592-19. Winding Down the Business of a Resident Agency Title Insurance Producer.

R592-19-1. Authority.

This rule is promulgated by the commissioner pursuant to Subsection 31A-2-404(6).

R592-2. Purpose and Scope.

(1) The purpose of this rule is to provide a process for winding down the business of a resident agency title insurance producer.

(2) This rule applies to a resident agency title insurance producer.

R592-3. Definitions.

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

(1) "Active underwriter" means an underwriter from which an agency has an appointment within six months before the date on which the agency

provides written notice of intent to wind down to the Department.

(2) "Agency" means a licensed resident agency title insurance producer.

(3) "Escrow file" means a physical or electronic document relied on or generated in conducting escrow under Title 31A.

(4) "Final audit" means the audit of an agency's trust accounts, operating accounts, escrow files, accounting records, and related title insurance records required under Subsection R592-19-7(1).

(5) "Title file" means a physical or electronic document relied on or generated during the process of placing title insurance.

(6) "Underwriter" means an insurance company that underwrites title insurance risks.

(7) "Wind down process" and "winding down process" mean the process of closing an agency's business.

R592-19-4. Agency's Annual Wind Down Plan and Certification.

(1) An agency shall annually prepare a written plan for winding down its business.

(2) The plan shall state:

(a) the physical or electronic location at which the agency's escrow and title files will be securely stored for access:

(i) during the wind down process; and

(ii) for a period of four years after the wind down process ends;

(b) the name and contact information for the person:

(i) with access to the escrow and title files; and

(ii) who is responsible to respond to questions about information in the files;

(c) the physical or electronic location of the escrow accounting records;

(d) the process that the Department or an active underwriter must follow to obtain access to those records;

(e) the agency's procedures for:

(i) reconciling each trust account;

(ii) completing pending escrow transactions;

(iii) disbursing or transferring escrow funds; and

(iv) resolving outstanding escrow obligations;

(f) the name and contact information for the title insurance licensed person responsible for the completion of the wind down process; and

(g) each past and current underwriter from which the agency had or has an appointment.

(3) The agency shall:

(a) provide a plan with the report required by Section 31A-23a-413;

(b) review and update the plan as necessary; and

(c) provide an updated plan with the report as required by Section 31A-23a-413.

(4)(a) After providing a plan with a report required by Section 31A-23a-413, the agency is only required to provide a plan after it is updated.

(b) If not required to provide a plan or an updated plan, the agency shall certify in the report that the agency's current plan has been reviewed and needs no updating.

(5) This section does not require an agency to provide a plan or an updated plan to an underwriter.

R592-19-5. Notice of Intent to Wind Down.

(1) An agency shall provide written notice of intent to wind down no later than 45 days before the wind down is completed.

(2) The notice shall be sent to:

(a) the Department at title@utah.gov; and

(b) each active underwriter.

(3) The notice shall include:

(a) a copy of the agency's most recent plan;

(b) a statement of information relevant to the plan that has changed or become available since the last plan was filed;

(c) a certification that the information identified in Subsection (3)(b) is accurate;

(d) a list of all pending files and all open orders in which a commitment has been prepared but not paid for as of the date of the notice;

(e) a written acknowledgment that the agency will perform a final audit of the agency's trust and operating accounts within 60 days after the wind down is completed;

(f) a statement of a plan for:

(i) completing pending transactions that have closed in which title insurance policies must be issued;

(ii) completing open transactions that have not been closed in which a title insurance commitment has been issued or in which funds are held in escrow;

(iii) the administration of the funds held in escrow at the time of the filing of the notice under Subsection (1), including the processes for:

(A) disbursements; and

(B) escheating funds remaining in the escrow accounts after disbursement attempts have been exhausted;

(iv) completing the winding down of the business of the title agency, including the payment of premium and fees to the agency's active underwriters; and

(g) a statement that the agency will be subject to the Department's jurisdiction, regardless of whether its license has been surrendered, cancelled, or terminated, until outstanding issues described in Subsection R592-19-7(4) have been resolved.

(4) The notice to each active underwriter shall include only information described in Subsections (3)(b) through (3)(g) that relates to the active underwriter.

R592-19-6. Records, Files, and Trust Account Information Before the Wind Down is Completed.

(1) For each pending transaction, commitment, or open title order identified in Subsection R592-19-5(3)(d), an agency shall send, to each party to the transaction, commitment or order, a written notice that states:

(a) that the agency is winding down;

(b) the location of the escrow files or title files;

(c) the contact information for the agency representative or file custodian who can respond to requests concerning the file; and

(d) that no underwriter is required to accept custody or control of the person's files solely because the agency is winding down.

- (2) The agency shall send the written notice no later than 60 days before the agency's final date of operation.
- (3) The agency shall retain a copy of the written notice described in Subsection (1) in the applicable escrow and title insurance file.
- (4)(a) The agency remains responsible for reconciling each trust account and for disbursing, transferring, or otherwise resolving escrow funds in accordance with applicable law and written escrow instructions.
- (b) The agency may not transfer undisbursed escrow or investment account funds to an underwriter unless:
 - (i) the underwriter has agreed in writing to accept the funds;
 - (ii) the transfer is required by law or court order; or
 - (iii) the transfer is otherwise authorized by the Department.
- (5) No later than the date on which the wind down is completed, the agency shall provide to the Department any information not already included in the wind down plan submitted under Section R592-19-4, including:
 - (a) each party notified under Subsection (1);
 - (b) updates to the file location, custodian, trust account access, or escrow accounting information described in Section R592-19-4; and
 - (c) a trust account reconciliation status report identifying any account that has not been fully reconciled or any escrow funds that remain undisbursed or unresolved.

R592-19-7. Underwriter Review; License Termination.

- (1) An agency shall conduct a final audit of the agency's trust accounts, operating accounts, escrow files, accounting records, and related title insurance records upon completion of the wind down.
- (2) Within 60 days after the wind down is completed, the final audit report shall be sent to:
 - (a) the Department at title@utah.gov; and
 - (b) each active underwriter.
- (3)(a) Upon receipt of a final audit report, an active underwriter may conduct an audit of the agency's files, accounts, and records for business placed through that underwriter to determine whether there are outstanding files, unreconciled trust account items, unpaid premiums, unresolved escrow funds, or other issues related to the wind down.
- (b) The agency, each owner of the agency, and each person responsible for custody of the agency's files or records shall provide reasonable access to the files, accounts, and records necessary for an audit under Subsection (3)(a).
- (4)(a) Within 15 days after receiving the final audit report required by Subsection (2), an active underwriter shall notify the Department that the underwriter has received the report.
- (b) If an active underwriter conducts an audit under Subsection (3), the underwriter shall notify the Department within 15 days after completing the audit if, based on the underwriter's review, there are outstanding files, unreconciled trust account items, unpaid premiums, unresolved escrow funds, or any other issue requiring further action.
- (c) If an active underwriter identifies an outstanding issue described in Subsection (4)(b), the notice to the Department shall describe the issue and any corrective action requested from the agency.
- (5) If an active underwriter does not receive a final audit report within 60 days after the date the wind down is completed, the active underwriter shall report the non-receipt to the Department within ten days.
- (6)(a) If an agency fails to submit the final audit report required by Subsection (2), the Department may require an active underwriter to prepare a report based on records in the active underwriter's possession.
- (b) If the Department requires a report under Subsection (6)(a), the active underwriter shall submit the report to the Department within 30 days after the Department's request, unless the Department grants an extension.
- (7) If an active underwriter completes a final audit report under Subsection (6), the expense of preparing the report may be reimbursed under Section 31A-41-203, if applicable.
- (8)(a) A resident agency title insurance producer license may not be canceled, terminated, or accepted for surrender unless the Department has received:
 - (i) the final audit report required by Subsection (2); and
 - (ii) confirmation from each active underwriter that it received the final audit report.
- (b) If outstanding issues described in Subsection (4) are identified, the Department may:
 - (i) elect not to cancel, terminate, or accept for surrender a resident agency title insurance producer license; and
 - (ii) take enforcement action against the agency.
- (c) Until a resident agency title insurance producer license is canceled, terminated, or accepted for surrender, the holder of the license shall comply with all applicable legal requirements.

R592-19-8. Record Storage Post Wind Down.

Records required to be stored under this rule shall be securely stored in a physical or electronic location.

R592-19-9. Effective Date.

The commissioner will begin enforcing this rule 45 days from the effective date of the rule.

R592-19-10. Severability.

If any provision of this rule, Rule R592-19, 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.

KEY: title, escrow, insurance, wind down

Date of Last Change:

Authorizing, and Implemented or Interpreted Law: 31A-2-404(6)