

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.):	R592-9	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:
R592-9. Assessment for Title Insurance Recovery, Education, and Research Fund
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 If this is a repeal and reenact, explain the substantive differences between the repealed rule and the reenacted rule):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. The change also removes large sections of the rule because they already properly appear in Rule R590-102, Insurance Department Fee Payment Rule, making their inclusion here duplicative and redundant, and it 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:

Section 31A-2-404	Section 31A-41-202	

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.

R592-9. Assessment for Title Insurance Recovery, Education, and Research Fund~~[-Assessment Rule]~~.

R592-9-1. Authority.

This rule is promulgated by the Title and Escrow Commission pursuant to Sections 31A-2-404 and 31A-41-202~~[-which requires the Title and Escrow Commission to determine the amount of required assessments from individual title insurance producers and agency title insurance producers to provide funding for the recovery, education, and research fund]~~.

R592-9-2. Purpose and Scope.

(1) The purpose of this rule is to:

- (a) ~~[to]~~ establish the amount[s] for an individual title insurance producer assessment[s]; and
- (b) ~~[to]~~ establish the amount[s] for an agency title insurance producer assessment[s].

(2) This rule applies to:

- (a) an agency title insurance producer; and
- (b) an individual title insurance producer~~[-all individual title insurance producer applicants and licensees and all agency title insurance producer license applicants and licensees and any unlicensed person doing the business of title insurance]~~.

R592-9-3. Definitions.

Terms used in this rule are defined in Sections 31A-1-301 and 31A-41-102.

R592-9-4. Establishing Assessment Amounts.

~~(1) The Commission adopts the Annual Title Recovery, Education, and Research Fund assessment set forth in Rule R590-102, Insurance Department Fee Payment Rule[Prior to July 1 of each year, the Commission shall establish the assessment amounts for:~~

- ~~_____ (a) an initial producer license for an individual title insurance producer applicant;~~
- ~~_____ (b) a renewal license for a licensed individual title insurance producer;~~
- ~~_____ (c) an initial agency license for a title insurance agency applicant; and~~
- ~~_____ (d) an annual assessment for a licensed agency title insurance producer.~~

~~(2) Annual licensed agency title insurance producer assessment amounts shall be established for the following four premium bands of title insurance premiums:~~

- ~~_____ (a) Band A: \$0 to \$1 million;~~
- ~~_____ (b) Band B: more than \$1 million to \$10 million;~~
- ~~_____ (c) Band C: more than \$10 million to \$20 million; and~~
- ~~_____ (d) Band D: more than \$20 million.~~

~~(3) The individual title insurance producer and agency title insurance producer assessment amounts shall be adopted by motion of the Commission.~~

~~_____ (4) The adopted assessment amounts shall be posted on the Insurance Department's web page].~~

R592-9-[4]5. Individual Title Insurance Producer Assessment.

~~(1) An individual title insurance producer assessment shall be paid in accordance with Rule R590-102, Insurance Department Fee Payment Rule[Beginning July 1, 2009:~~

- ~~_____ (a) A person applying for an initial individual title insurance producer license or a licensed individual title insurance producer adding an additional title insurance line of authority shall pay an assessment not to exceed \$20.00 at the time of application; and~~
- ~~_____ (b) a licensee renewing an individual title insurance producer license shall pay an assessment not to exceed \$20.00 at the time of application.~~

~~(2) An individual title insurance producer assessment will be paid in accordance with R590-102, Insurance Department Fee Payment Rule].~~

R592-9-[5]6. Agency Title Insurance [Agency]Producer Assessment.

~~(1) An agency title insurance producer assessment shall be paid in accordance with Rule R590-102, Insurance Department Fee Payment Rule[Beginning July 1, 2008, a person applying for an initial title insurance agency license shall pay an assessment of \$1,000 at the time of application.~~

~~_____ (2) Beginning January 1, 2009, a licensed title insurance agency shall pay an annual assessment.~~

~~_____ (3) An agency's placement in one of the four assessment bands will be determined by an agency's title insurance written premium volume for the preceding calendar year as of December 31 of that calendar year.~~

~~_____ (4) An agency title insurance producer's annual assessment will be paid in accordance with R590-102, Insurance Department Fee Payment Rule.~~

R592-9-6. 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 Section 31A-2-308.~~

R592-9-7. Enforcement Date.

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

R592-9-[8]7. Severability.

~~[If any provision or clause of this rule or its application to any person or situation is held invalid, such invalidity may 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 R592-9, 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 recovery assessment

Date of Enactment or Last Substantive Amendment: June 25, 2009

Notice of Continuation: June 10, 2019

Authorizing, and Implemented or Interpreted Law: 31A-2-308; 31A-41-202