



State of Utah

SPENCER J. COX
Governor

DEIDRE M. HENDERSON
Lieutenant Governor

Insurance Department

JONATHAN T. PIKE
Insurance Commissioner

Title & Escrow Commission Meeting

(<https://insurance.utah.gov/licensees/title/tec/>)

Date: April 14, 2025

Time: 9:00 AM

Place:

In Person

Taylorsville SOB
4315 S. 2700 W.
Flaming Gorge Room
Taylorsville, UT 84129

Virtual

Google Meet
meet.google.com/ubd-pzpq-tcw
573-621-2430 Phone
594 064 849# Password

ATTENDEES

TITLE & ESCROW COMMISSION

Chair, Nathan Sprague (<i>Insurer, Utah County</i>)	Kim Holbrook (<i>Insurer, Davis County</i>)
Vice Chair, Tina Williams (<i>Agency, Juab County</i>)	Jeff Mathews (<i>Public, Morgan County</i>)
Kevin Parke (<i>Agency, Salt Lake County</i>)	

DEPARTMENT STAFF

Jon Pike, <i>Insurance Commissioner</i>	Reed Stringham, <i>Deputy Comm.</i>	Tracy Klausmeier, <i>P&C Dir.</i>
Randy Overstreet, <i>Licensing Mgr.</i>	Patrick Lee, <i>Finance Dir.</i>	Kelly Christensen, <i>P&C Asst. Dir.</i>
Michael Covington, <i>CE Specialist</i>	Steve Gooch, <i>PIO Recorder</i>	Jaimee George, <i>Title Examiner</i>

AGENDA

General Session: (Open to the Public)

- **Welcome** / Nathan Sprague, Chair
- **Telephone Roll Call**
- **Adopt Minutes of Previous Meeting**
- **Concurrence Reports** / Nathan
 - Licenses
 - Penalties
 - Doma Title Insurance Inc., Docket #2024-4696
 - Lisa Cruz, Docket #2025-4724
 - Continuing education
- **Update on 2025 Goals**
 - ULTA report / Kim
- **Marketing Questions** / Jaimee
 - Q1: How often can a producer provide a CE class "at an individual, physical office location of a client"?
- **New Business**
 - Repeal of R592-5 / Jaimee
 - Sufficient capital and net worth requirement for ABA and non-ABA / Jaimee
 - Annual report and financial submissions / Jaimee
 - Agency Sircon file / Jaimee
- **Old Business**

- Status of construction money rule / Kim
- Report on public education effort / Kim
- **Other Business**
 - TEC/REC May 12 meeting / Steve
- **Hot Topics**

Executive Session (None)

- **Adjourn**
- **Next Meeting: May 12, 2025** — Flaming Gorge Room, Taylorsville State Office Building

2025 Meeting Schedule

Jan 13** ONLINE	Feb 10** ONLINE	Mar 10 Flaming Gorge	Apr 14 Flaming Gorge	May 12* Flaming Gorge	Jun 9 Flaming Gorge
Jul 14 Flaming Gorge	Aug 11 Flaming Gorge	Sep 8 Flaming Gorge	Oct 20* Flaming Gorge	Nov 10 Flaming Gorge	Dec 8** ONLINE

*Proposed TEC/REC meeting immediately following

**Online only

2025 Goals

1. Continue making sure continuing education and testing are relevant
2. Continue working with the Real Estate Commission
3. Continue working with the ULTA as a liaison
4. Increase awareness of cyber and wire fraud's effect on consumers and agencies
5. Increase awareness of affiliated business arrangements (ABA)
6. Increase consumer awareness of the role a title insurance company plays in a real estate transaction
7. Increase industry's awareness of the marketing rule and how to ask questions

Title Agency Licensing
Mar 2025

New licenses

Agency ID	Name	Orig. Issue Date	Expire Date	LOA
206600	ATLAS TITLE COMPANY	2025-03-18	2027-03-31	TS
206635	NOVATION TITLE GROUP LLC	2025-03-14	2027-03-31	TE
206635	NOVATION TITLE GROUP LLC	2025-03-14	2027-03-31	TS

Renewal Licenses

Agency ID	Name	Orig. Issue Date	Expire Date	LOA
202706	ENDPOINT DIGITAL CLOSINGS, LLC	2023-03-22	2027-03-31	TE
202706	ENDPOINT DIGITAL CLOSINGS, LLC	2023-03-22	2027-03-31	TMR
202706	ENDPOINT DIGITAL CLOSINGS, LLC	2023-03-22	2027-03-31	TS
202894	ONRECORD TITLE	2023-03-13	2027-03-31	TE
202894	ONRECORD TITLE	2023-03-13	2027-03-31	TMR
202894	ONRECORD TITLE	2023-03-13	2027-03-31	TS
165841	TITLE GUARANTEE A TITLE INSURANCE AGENCY LLC	2011-03-08	2027-03-31	TE
165841	TITLE GUARANTEE A TITLE INSURANCE AGENCY LLC	2011-03-08	2027-03-31	TMR
165841	TITLE GUARANTEE A TITLE INSURANCE AGENCY LLC	2011-03-08	2027-03-31	TS
202924	VERUS TITLE UTAH LLC	2023-03-07	2027-03-31	TS

Lapsed Licenses

Agency ID	Name	Orig. Issue Date	Expired Date	LOA
(none)				

Reinstated Licenses

Agency ID	Name	Orig. Issue Date	Expire Date	LOA	Reinstated	LOA
(none)						

Title Agent Licensing
Mar 2025

New Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
(none)				

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
1833135	ANDERSON, SHAYLEE	2023-02-10	2027-03-31	TE
1563960	Allred, Kami	2014-04-14	2027-03-31	TS
2061835	BARNEY, JENNIFER	2022-10-20	2027-03-31	TE
1369988	BENTON, BURK	2008-09-02	2027-03-31	TS
99181	BOWEN, STEFANIE	2004-04-15	2027-03-31	TS
99181	BOWEN, STEFANIE	2004-02-26	2027-03-31	TE
40575	CHABRIES, MICHAEL	2004-10-22	2027-03-31	TS
40575	CHABRIES, MICHAEL	1997-02-23	2027-03-31	TE
53802	CIAMPINI, WENDY	1998-07-22	2027-03-31	TMR
53802	CIAMPINI, WENDY	2002-04-30	2027-03-31	TE
1358907	COPIER, JAMIE	2008-04-10	2027-03-31	TE
38834	CROFTS, MICHELLE	1995-03-06	2027-03-31	TE
1772980	CUSWORTH, JESSICA	2018-07-30	2027-03-31	TMR
38745	DAVIS, PAUL	1984-12-04	2027-03-31	TS
38745	DAVIS, PAUL	2013-02-04	2027-03-31	TE
141340	DAVIS, IAN	2008-11-04	2027-03-31	TS
141340	DAVIS, IAN	2007-02-16	2027-03-31	TMR
81236	DIGLISIC, TALIA	2002-09-09	2027-03-31	TE
2070174	ENGLAND, SCHEINA	2023-01-06	2027-03-31	TE
1742836	GARNER, KORIN	2018-02-01	2027-03-31	TE
45043	GEORGE, REBECCA	1996-04-26	2027-03-31	TE
1489504	GRIFF, MATTHEW	2018-11-15	2027-03-31	TE
1489504	GRIFF, MATTHEW	2012-07-17	2027-03-31	TMR
82800	HADLOCK, REBECCA	2002-10-22	2027-03-31	TE
1661196	HARDY, ALVINA	2019-01-03	2027-03-31	TE
32876	HATCH, TRAVIS	1998-04-08	2027-03-31	TS
27453	HEMINGWAY, DEBBIE	1996-05-13	2027-03-31	TE
33395	HOLBROOK, KIMBERLY	1994-06-23	2027-03-31	TS
33395	HOLBROOK, KIMBERLY	1993-01-20	2027-03-31	TE
49299	JOHNSON, STEVEN	2008-01-03	2027-03-31	TE
49299	JOHNSON, STEVEN	1996-04-17	2027-03-31	TS
49098	JOHNSTON, MARY	1993-01-08	2027-03-31	TS
1757233	MACRISS, SARAH	2018-05-07	2027-03-31	TE
40307	MADISON, CHRISTOPHER	2007-07-12	2027-03-31	TE
40307	MADISON, CHRISTOPHER	1997-09-23	2027-03-31	TS
43406	MAUGHAN, RICHARD	1976-10-13	2027-03-31	TE
43406	MAUGHAN, RICHARD	1976-10-13	2027-03-31	TS
38548	MECHAM, KEVIN	1993-03-15	2027-03-31	TS

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
1674048	MILLAR, JENNIFER	2016-10-04	2027-03-31	TMR
32713	MINER, DONNA	1999-03-10	2027-03-31	TE
12222	MUNSON, KEVIN	1995-02-06	2027-03-31	TS
103002	NEPOLIS, LISA	2004-06-21	2027-03-31	TS
2019870	NEWELL, PEYTON	2022-12-07	2027-03-31	TS
44544	Nicholson, Brenda	1998-06-23	2027-03-31	TE
45029	OLSEN, REA	1996-03-11	2027-03-31	TE
45029	OLSEN, REA	1999-03-09	2027-03-31	TS
42395	PEARSON, C. ADELLA	1996-08-20	2027-03-31	TE
77239	PERKINS, SHANE	2002-05-15	2027-03-31	TE
77239	PERKINS, SHANE	2021-02-16	2027-03-31	TS
87210	PERRY, JAMIE	2003-02-27	2027-03-31	TE
1761184	PETERSON, AMANDA	2018-05-17	2027-03-31	TE
90705	REA, GINA	2003-05-29	2027-03-31	TE
86689	RICHENS, JAYNE	2003-02-11	2027-03-31	TS
86689	RICHENS, JAYNE	2005-08-17	2027-03-31	TE
2042852	ROSE, ALICIA	2022-07-12	2027-03-31	TE
1767688	SKOG, SPENCER	2018-06-18	2027-03-31	TS
41244	SMITH, RICHARD	2023-08-23	2027-03-31	TS
41244	SMITH, RICHARD	2000-05-18	2027-03-31	TE
106871	SMITH, KIMBERLY	2004-10-06	2027-03-31	TE
1377454	SNOW, WENDY	2012-12-20	2027-03-31	TS
1377454	SNOW, WENDY	2008-11-06	2027-03-31	TE
85498	STANGER, TODD	2007-08-07	2027-03-31	TE
85498	STANGER, TODD	2002-12-24	2027-03-31	TS
30559	STEPHENSON, DAVID	2008-11-03	2027-03-31	TE
1476563	TAHY, KRISTA	2012-06-20	2027-03-31	TE
1930033	THORN, LAURA	2021-03-08	2027-03-31	TE
84831	THURSTON, RICHARD	2002-12-06	2027-03-31	TE
129691	VANDERHOOF, PATRICK	2006-06-06	2027-03-31	TE
36199	WALKER, MATTHEW	1995-11-14	2027-03-31	TS
36199	WALKER, MATTHEW	2004-11-08	2027-03-31	TE
1490990	WILLSON, DANIELLE	2012-07-11	2027-03-31	TS
1695929	WITTEWER, KAYLA	2017-02-24	2027-03-31	TE
81344	WRIGHT, DAVID	2002-10-01	2027-03-31	TE
100444	YORK, TYLER	2004-04-12	2027-03-31	TMR
100444	YORK, TYLER	2005-07-06	2027-03-31	TE

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
106703	Christensen, Tina	2006-09-22	2025-02-28	TE
2032771	DITRI, RICHARD	2022-05-26	2025-02-28	TMR
52727	GREEN, JULIE	2000-09-29	2025-02-28	TE
1799387	NIELSEN, TARA	2022-04-29	2025-02-28	TE
1419668	NOKES, JASON	2010-06-15	2025-02-28	TE

Renewed Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	LOA
2075841	RYDALCH, COURTNE	2023-02-22	2025-02-28	TMR
50107	WILLIAMSON, RONDA	1994-07-29	2025-02-28	TE

Reinstated Licenses

Agent ID	Name	Orig. Issue Date	Expire Date	Reinstated	LOA
37090	HARDMAN, KEVIN	2000-03-08	2027-02-28	2025-03-10	TE
37090	HARDMAN, KEVIN	2000-03-08	2027-02-28	2025-03-10	TS
1471130	LONG, LYNN	2011-10-06	2026-10-31	2025-03-20	TMR
78318	MOSLEY, JENNIFER	2014-08-18	2027-02-28	2025-03-06	TE
78318	MOSLEY, JENNIFER	2002-06-19	2027-02-28	2025-03-06	TMR

HELEN A. FROHLICH (8814)
Assistant Attorney General
DEREK E. BROWN (10476)
Attorney General
Attorneys for Utah Insurance Department
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Salt Lake City, Utah 84114-0874
Telephone: (801) 366-0375
Email: hfrohlich@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. DOMA TITLE INSURANCE, INC., Respondent.	AMENDED FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER Docket No. 2024-4696 Donald H. Hansen Administrative Law Judge/Presiding Officer
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Complainant, Utah Insurance Department ("Department") and Respondent, Doma Title Insurance, Inc. ("Respondent"), have stipulated to entry of the following Findings of Fact, Conclusions of Law, and Order.

Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

FINDINGS OF FACT

1. Respondent is a nonresident producer organization domiciled in Florida and holding Utah certificate of authority 50130.
2. Respondent's mailing address is 760 NW 107th Ave, Suite 401, Miami, FL, 33172.
3. An agency title insurance producer affiliated with Respondent had its license lapse on October 31, 2023, when the agency failed to renew its license.

4. The agency title producer, through Respondent, issued 76 title insurance policies without an active appointment/affiliation to the title insurer while its license was lapsed.

5. Respondent failed to maintain an appointment/affiliation of the agency title insurance producer when it renewed its lapsed license.

6. The Department and Respondent have agreed to an administrative forfeiture of \$17,629.47 against Respondent.

CONCLUSIONS OF LAW

1. The Utah Insurance Commissioner (“Commissioner”) has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code pursuant to Utah Code § 31A-2-308.

3. Respondent violated § Utah Code 31A-23a-115(1)(a) by failing to appoint an individual or agency with whom it has a contract as an insurance producer to act on the insurer’s behalf in order for the licensee to do business for the insurer in this state.

4. Respondent violated Utah Code § 31A-23a-115(1)(b)(i), and Utah Admin. Code R590-244-11(1)(a) by failing to report to the commissioner the appointment of the title agency once the license was renewed.

5. As a penalty for the violations in this case, the Respondent should be ordered to pay a forfeiture of \$17,629.47.

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent shall pay a forfeiture of \$17,629.47 for the violations described in the

Conclusions of Law.

2. The forfeiture shall be paid in full to the Department no later than 30 days after this order is signed.
3. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 21st day of March 2025.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
Donald H. Hansen
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 South 2700 West, Suite 2300
Taylorsville, UT 84129
801-957-9321
Email: uidadmincases@utah.gov

NOTICE TO RESPONDENT

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$5,000 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action being taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

CERTIFICATE OF SERVICE

The undersigned certifies that on this date a true and correct copy of the foregoing Findings of Fact, Conclusions of Law and Order was electronically mailed to:

Owen Girard, General Counsel
Doma Title Insurance, Inc.
760 NW 107th Ave, Suite 401
Miami, FL 33172
Owen.Girard@trguw.com

and

Helen A. Frohlich
Assistant Attorney General
hfrohlich@agutah.gov

DATED this @day of @ 2025.

/s/

Jeanine Couser
Utah Insurance Department
4315 South 2700 West, Suite 2300
Taylorsville, UT 84129
801-957-9321

HELEN A. FROHLICH (8814)
Assistant Attorney General
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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. DOMA TITLE INSURANCE, INC., Respondent.	AMENDED STIPULATION Docket No. 2024-4696 Donald H. Hansen Administrative Law Judge/Presiding Officer
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The Utah Insurance Department (“Department”) and Respondent Doma Title Insurance, Inc, (“Respondent”), stipulate as follows:

1. The Presiding Officer may enter the Amended Findings of Fact, Conclusions of Law, and Order filed herewith.
2. The Amended Findings of Fact, Conclusions of Law, and Order shall not be subject to reconsideration, modification, hearing, agency review or appeal.
3. The issuance of the signed and adopted Order is solely for the purpose of disposing of the specific matter entitled therein. Only promises, agreements, and understandings that the parties have regarding this matter are contained in the Amended Findings of Fact, Conclusions of Law, and Order.

4. The parties enter into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

DATED: March 20, 2025

DATED: February 20, 2025

/s/ Owen Girard
Owen Girard, General Counsel
Doma Title Insurance, Inc.
COA # 50130

/s/ Helen A. Frohlich
Helen A. Frohlich
Assistant Utah Attorney General
Attorney for Utah Insurance Department

HELEN A. FROHLICH (8814)
Assistant Attorney General
DEREK E. BROWN (10476)
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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. DOMA TITLE INSURANCE, INC., Respondent.	AMENDED COMPLIANCE WITH UTAH CODE § 31A-2-404(1)(b)(ii) Docket No. 2024-4696
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Pursuant to Utah Code § 31A-2-404(1)(b)(ii) the Utah Insurance Commissioner consulted with and sought the concurrence of the Title and Escrow Commission (“Commission”), in an open meeting, regarding the imposition of the penalty set forth in the Findings of Fact, Conclusions of Law and Order in this matter.

By a vote of _____ to _____, the Commission:

_____ concurred

_____ did not concur

with the imposition of the penalty.

Dated: _____, 2025

Nathan Sprague, Chair
Title and Escrow Commission

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT,

Complainant,

vs.

DOMA TITLE INSURANCE, INC.,

Respondent.

**AMENDED IMPOSITION OF PENALTY
IN COMPLIANCE WITH UTAH CODE
§ 31A-2-404(1)(b)(ii)**

Docket No. 2024-4696

Pursuant to Utah Code § 31A-2-404(1)(b)(ii), I Jonathan T. Pike, Utah Insurance Commissioner consulted with and sought the concurrence of the Title and Escrow Commission, in an open meeting, regarding the imposition of the penalty set forth in the Amended Findings of Fact, Conclusions of Law and Order in this matter. I hereby agree with and impose said penalty.

Dated: _____, 2025.

Jonathan T. Pike
Utah Insurance Commissioner

NOTICE

Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R590-160-8(1), an Order shall become final and take full effect, 15 days after the Amended Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing is received from Respondent prior to that date. A respondent's failure to timely request a hearing in an informal adjudicative proceeding will be considered a failure to exhaust administrative remedies pursuant to Utah Admin. Code R590-160-7(2).

CERTIFICATE OF SERVICE

The undersigned certifies that on this date a true and correct copy of the foregoing Amended Imposition of Penalty in Compliance with Utah Code § 31A-2-402(1)(b)(ii) were emailed to:

Owen Gerard, General Counsel
Doma Title Insurance Inc.
760 NW 107th Ave, Suite 401
Miami, FL 33172
Owen.Girard@trguw.com

and

Helen A. Frohlich
Assistant Attorney General
hfrohlich@agutah.gov

DATED this _____ day of _____ 2025.

/s/ _____
Tatiana Karaivanova
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321

SHELLEY A. COUDREAUT (9663)
Assistant Attorney General
DEREK E. BROWN (10476)
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BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. LISA CRUZ, Respondent.	NOTICE OF AGENCY ACTION Docket No. 2025-4724 Donald H. Hansen Administrative Law Judge/Presiding Officer
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The Utah Insurance Department (“Department”) commences this agency action as an informal adjudicative proceeding for entry of Findings of Fact, Conclusions of Law, and Order to which the Department and Lisa Cruz have stipulated. Filed contemporaneously with this Notice of Agency Action are the parties’ Stipulation and their proposed Findings of Fact, Conclusions of Law, and Order.

The legal authority and jurisdiction under which the proceeding is maintained is

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Utah Code §§ 31A-2-201 and 63G-4-201 through 203 and Utah Admin. Code R.590-160.

DATED this 6th day of March 2025.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
Donald H. Hansen
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 South 2700 West, Suite 2300
Taylorsville, UT 84129
Telephone: 801-957-9321
Email: uidadmincases@utah.gov

CERTIFICATE OF SERVICE

The undersigned certifies that on this date a true and correct copy of the foregoing Notice of Agency Action was electronically mailed to:

Lisa Cruz

[REDACTED]
[REDACTED]
[REDACTED]

and

Shelley A. Coudreaut
Assistant Attorney General
sacoudreaut@agutah.gov

DATED this @day of @ 2025.

/s/
Jeanine Couser
Utah Insurance Department
4315 South 2700 West, Suite 2300
Taylorsville, UT 84129
801-957-9321

SHELLEY A. COUDREAUT (9663)
Assistant Attorney General
DEREK E. BROWN (10476)
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Email: sacoudreaut@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. LISA CRUZ, Respondent.	FINDINGS OF FACT, CONCLUSIONS OF LAW AND ORDER Docket No. 2025-4724 Donald H. Hansen Administrative Law Judge/Presiding Officer
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Complainant, Utah Insurance Department ("Department") and Respondent, Lisa Cruz ("Respondent"), have stipulated to entry of the following Findings of Fact, Conclusions of Law, and Order.

Based upon that stipulation, and good cause appearing, the Presiding Officer makes and enters the following:

FINDINGS OF FACT

1. Respondent is a Utah resident producer individual insurance licensee, authorized to do the business of insurance in Utah under license number 450700.
2. Respondent's mailing address is [REDACTED].
3. Under Utah Code § 31A-23a-409(1)(a) and (c), a licensee is a trustee for money that is paid to, received by, or collected by a licensee for forwarding to insurers or to insureds, and owes

the fiduciary duties of a trustee with respect to money to be forwarded to insurers or insureds through the licensee.

4. On September 18, 2024, the Respondent conducted a closing for a real estate transaction.

5. At the time of the escrow disbursement, Respondent failed to notice discrepancies with the homeowner's insurance policy information. The closing instructions from the lender, tax and insurance worksheets, and the invoice all identified American Family Insurance as the insurance carrier for the homeowner's policy. However, the closing file also included evidence of insurance and an invoice from Allstate.

6. As part of the closing process, a check was issued, made payable to American Family, but listed the address and policy number on the check related to the Allstate information. The check was cashed by Allstate and applied to the Allstate policy.

7. The Respondent failed to notice or resolve the insurance policy discrepancy before or at the time of closing. This deviation from protocol allowed the redirecting of the funds to an unauthorized account.

8. This incident demonstrated failure by the Respondent to exercise the necessary care to safeguard money held in escrow for the closing, resulting in their misdirection.

9. In a statement to the Department dated December 6, 2024, Respondent "acknowledged the mistake and stated that she should have noticed and resolved the insurance policy discrepancy at the time of closing."

10. As a result of the Respondent's violations, the Department and Respondent have agreed to an administrative forfeiture of \$455.00.

CONCLUSIONS OF LAW

1. The Utah Insurance Commissioner ("Commissioner") has jurisdiction over the parties and this adjudicative proceeding pursuant to Utah Code §§ 31A-1-105 and 31A-2-201.

2. The Commissioner has legal authority to impose penalties on the Department's licensees who violate the Utah Insurance Code pursuant to Utah Code § 31A-2-308.

3. Respondent violated Utah Code § 31A-23a-409(1)(a) and (c), when she failed to exercise the high standard of care required by a fiduciary trustee to reasonably preserve and protect the money held in Escrow for an insurer or insured.

4. As a penalty for the violations in this case, the Respondent should be ordered to pay a forfeiture of \$455.00.

ORDER

Based on the foregoing Findings of Fact and Conclusions of Law, it is hereby Ordered that:

1. Respondent shall pay a forfeiture of \$455.00 for the violations described in the Conclusions of Law. The forfeiture shall be paid in full to the Department no later than thirty (30) days after this order is signed.

2. Respondent is ordered not to commit the violations described in the Conclusions of Law in the future.

DATED this 6th day of March 2025.

JONATHAN T. PIKE
Utah Insurance Commissioner

/s/ Donald H. Hansen
Donald H. Hansen
Administrative Law Judge/Presiding Officer
Utah Insurance Department
4315 South 2700 West, Suite 2300
Taylorsville, UT 84129
801-957-9321
Email: uidadmincases@utah.gov

NOTICE TO RESPONDENT

Failure to obey this Order may subject you to further penalties that include a forfeiture of up to \$2,500 per violation, with each day of the violation constituting a separate violation. Other penalties for failing to obey this Order may include license suspension, probation, refusal to renew, or revocation. Failure to obey this Order may also result in an action being taken against you in a court of competent jurisdiction where forfeitures of up to \$10,000 for each day the failure to comply continues until judgment is rendered. If you are licensed in other jurisdictions, you may be required to report this proceeding in those jurisdictions.

CERTIFICATE OF SERVICE

The undersigned certifies that on this date a true and correct copy of the foregoing Findings of Fact, Conclusions of Law and Order was electronically mailed to:

Lisa Cruz

[REDACTED]
[REDACTED]
[REDACTED]

and

Shelley A. Coudreaut
Assistant Attorney General
sacoudreaut@agutah.gov

DATED this @day @ 2025.

/s/

Jeanine Couser
Utah Insurance Department
4315 South 2700 West, Suite 2300
Taylorsville, UT 84129
801-957-9321

SHELLEY A. COUDREAUT (9663)
Assistant Attorney General
DEREK E. BROWN (10476)
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, 5th Floor
P.O. Box 140874
Salt Lake City, Utah 84114-0874
Telephone: (801) 366-0375
Email: sacoudreaut@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. LISA CRUZ, Respondent.	STIPULATION Docket No. 2025-4724 Donald H. Hansen Administrative Law Judge/Presiding Officer
--	---

The Utah Insurance Department (“Department”) and Respondent Lisa Cruz (“Respondent”), stipulate as follows:

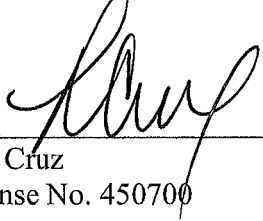
1. The Presiding Officer may enter the Findings of Fact, Conclusions of Law, and Order filed herewith.
2. The Findings of Fact, Conclusions of Law, and Order shall not be subject to reconsideration, modification, hearing, agency review or appeal.
3. The issuance of the signed and adopted Order is solely for the purpose of disposing of the specific matter entitled therein. Only promises, agreements, and

understandings that the parties have regarding this matter are contained in the Findings of Fact, Conclusions of Law, and Order.

4. The parties enter into this Stipulation voluntarily, knowingly, and free from any coercion of any kind.

DATED: Mar 5th, 2025,

/s/


Lisa Cruz

License No. 450700

DATED: February 25, 2025

/s/ Shelley A. Coudreaut

Shelley A. Coudreaut

Assistant Utah Attorney General

Attorney for Utah Insurance Department

SHELLEY A. COUDREAUT (9663)
Assistant Attorney General
DEREK E. BROWN (10476)
Attorney General
Attorneys for Utah Insurance Department
160 East 300 South, 5th Floor
P.O. Box 140874
Salt Lake City, Utah 84114-0874
Telephone: (801)366-0375
Email: sacoudreaut@agutah.gov

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT, Complainant, vs. LISA CRUZ, Respondent.	COMPLIANCE WITH UTAH CODE § 31A-2-404(1)(b)(ii) Docket No. 2025-4724
--	--

Pursuant to Utah Code § 31A-2-404(1)(b)(ii) the Utah Insurance Commissioner consulted with and sought the concurrence of the Title and Escrow Commission (“Commission”), in an open meeting, regarding the imposition of the penalty set forth in the Findings of Fact, Conclusions of Law and Order in this matter.

By a vote of _____ to _____, the Commission:

_____ concurred

_____ did not concur

with the imposition of the penalty.

Dated: _____, 2025

Nathan Sprague, Chair
Title and Escrow Commission

BEFORE THE UTAH INSURANCE COMMISSIONER

UTAH INSURANCE DEPARTMENT,

Complainant,

vs.

LISA CRUZ,

Respondent.

**IMPOSITION OF PENALTY IN
COMPLIANCE WITH UTAH CODE
§ 31A-2-404(1)(b)(ii)**

Docket No. 2025-4724

Pursuant to Utah Code § 31A-2-404(1)(b)(ii), I Jonathan T. Pike, Utah Insurance Commissioner consulted with and sought the concurrence of the Title and Escrow Commission, in an open meeting, regarding the imposition of the penalty set forth in the Findings of Fact, Conclusions of Law and Order in this matter. I hereby agree with and impose said penalty.

Dated: _____, 2025.

Jonathan T. Pike
Utah Insurance Commissioner

NOTICE

Pursuant to Utah Code § 63G-4-203(1)(i) and Utah Admin. Code R.590-160-8(1), an Order shall become final and take full effect, 15 days after the Notice of Agency Action and Order is emailed to Respondent unless a request for a hearing is received from Respondent prior to that date. A respondent's failure to timely request a hearing in an informal adjudicative proceeding will be considered a failure to exhaust administrative remedies pursuant to Utah Admin. Code R.590-160-7(2).

CERTIFICATE OF SERVICE

The undersigned certifies that on this date a true and correct copy of the foregoing
Imposition of Penalty in Compliance with Utah Code § 31A-2-402(1)(b)(ii) were emailed to:

Lisa Cruz


and

Shelley A. Coudreaut
Assistant Attorney General
sacoudreaut@agutah.gov

DATED this _____ day of _____ 2025.

/s/ _____
Jeanine Couser
Utah Insurance Department
4315 S. 2700 W., Suite 2300
Taylorsville, UT 84129
801-957-9321

Approval Date	1st Quarter Jan - March 2025 Approved Title Courses	Provider Name	Totals
Jan-25			14
1/2/2025	January 2025 Closer Training	Southern Utah Title Company	
1/5/2025	I.R.C. 1031 TAX DEFERRAL STRATEGIES	Utah Land Title Association	
1/7/2025	Fair Housing Promoting Equality in Real Estate	Washington County Brd of Realtors	
1/15/2025	Water Rights and Shares	Steve Troop	
1/17/2025	2025 Victorious Escrow Training Event - Day 1	Fidelity National Financial Inc	
1/17/2025	2025 Victorious Escrow Training Event - Day 2	Fidelity National Financial Inc	
1/20/2025	2025 ALTA Commercial Network	American Land Title Association	
1/21/2025	Recent Developments in Native American Lands Transactions	Fulghum Inc.	
1/21/2025	AU Unmasking Fraud - Safeguarding the Closing Process	Old Republic National Title	
1/29/2025	Protecting Seniors: Spotting and Combating Financial Elder Abuse in Real Estate	First American Title Ins Company	
1/30/2025	The Mystery that is Title Insurance	Ohana Title Insurance Agency	
1/30/2025	Death Divorce and Debt	Ohana Title Insurance Agency	
1/30/2025	Fraud Free Foundations	DHI Title Insurance Company	
1/31/2025	Foreign Sellers and FIRPTA	Metro National Title	
Feb-25			16
2/13/2025	ULTA Hot Topics	Utah Land Title Association	
2/13/2025	Guess Who? How to work with Entities and Identify Imposters	Utah Land Title Association	
2/13/2025	Audit Nightmares	Utah Land Title Association	
2/13/2025	Construction/Mechanic's Liens	Utah Land Title Association	
2/13/2025	Ins and Outs of Access	Utah Land Title Association	
2/18/2025	Ethics, Claims, and Red Flags	Fulghum Inc	
2/20/2025	Listing a Home with a Trust? Now What?	Novation Title Insurance Agency	
2/24/2025	FinCENs RRERs: Planning for the Effect on Your Business	American Land Title Association	
2/24/2025	Discover Market Trends	American Land Title Association	
2/24/2025	The Regulatory Environment Under the New Administration	American Land Title Association	
2/24/2025	ALTA Best Practices: Staying Current with the Updates and Expected Changes	American Land Title Association	
2/24/2025	AI Unlocked: Practical Applications for the Title Industry and Your Business	American Land Title Association	

Approval Date	1st Quarter Jan - March 2025 Approved Title Courses	Provider Name	Totals
Feb-25			16
2/24/2025	Leveraging Your Underwriter Relationships	American Land Title Association	
2/24/2025	Payment Types for Real Estate Transactions	American Land Title Association	
2/25/2025	FIRPTA: The Basics & Beyond	Westcor Land Title Ins. Co.	
2/28/2025	I See Dead People In Title	Westcor Land Title Ins. Co.	
Mar-25			7
3/4/2025	The MUSTS of Title #IYKYK	Novation Title Insurance Agency	
3/4/2025	Recording and Chain of Title	Fulghum Inc.	
3/5/2025	March 2025 Closer Training	Southern Utah Title Ins. Co.	
3/5/2025	ALTA Insights: Top 5 Hot Topics in Commercial Real Estate	American Land Title Association	
3/10/2025	Matters Affecting Agricultural Land	Utah Land Title Association	
3/27/2025	Business Entities - Beyond the Basics	DHI Title Insurance Company	
3/27/2025	Tax & Legal Strategies Every Realtor Should Know	Washington Cnty Brd of Realtors	

Can we get some clarity on the following?

A Title Producer may not be provide a CE class “at an individual, physical office location of a client more than once per calendar quarter.”

1. Does this mean that only one course may be taught one time at any client office once per quarter?
Or
2. Does this mean a class cannot be taught at that particular client’s office location more than once per quarter?

In other words, is the following a violation of R592-6-4(18)(d):

Title Producer teaches course at XYZ Realty on July 10. Then, Title Producer teaches course at ABC Realty (complete unrelated to XYZ Realty) in another city on July 20 of the same year.

1. Does the fact they are both “a client” make this a violation?
Or
2. Is the fact they are not both the same “physical office location of a client” make this allowable?

State of Utah
Administrative Rule Analysis
Revised May 2024

NOTICE OF SUBSTANTIVE CHANGE

TYPE OF FILING: Repeal

Rule or Section Number:

R592-5

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:
R592-5. Title Insurance Product or Service Approval for a Dual Licensed Title Licensee
3. Purpose of the new rule or reason for the change:
HB 23, passed during the 2025 General Session, repealed and reenacted Section 31A-2-405 to prohibit the dual licensing of an individual title licensee. Therefore, this rule is no longer necessary. The Title & Escrow Commission approved this repeal in its April 14, 2025 meeting by a vote of x-x.
4. Summary of the new rule or change:
The filing repeals the rule.

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. Few, if any, individual title licensees held dual licenses. This change will not materially impact the Department's licensing procedures.
B) Local governments:
There is no anticipated cost or savings to local governments. This rule did not apply to local governments.
C) Small businesses ("small business" means a business employing 1-49 persons):
There is no anticipated cost or savings to small businesses. Few, if any, individual title licensees held dual licenses.
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. This rule did not apply to non-small businesses.
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. This rule did not apply to 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 are no compliance costs for any affected persons. The rule is being repealed.

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:

Section 31A-2-404	Section 31A-2-405	

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:		07/01/2025
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:	07/08/2025
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.

Agency head or designee and title:	Steve Gooch, Public Information Officer	Date:	05/07/2025
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R592. Insurance, Title and Escrow Commission.

[R592-5. Title Insurance Product or Service Approval for a Dual Licensed Title Licensee.

R592-5-1. Authority.

_____ This rule is promulgated by the Title and Escrow Commission pursuant to Sections 31A-2-404 and 31A-2-405.

R592-5-2. Purpose and Scope.

- _____ (1) The purpose of this rule is to set forth requirements for a dual licensed title licensee to obtain:
- _____ (a) approval from the commissioner pursuant to Subsection 31A-2-405(2); or
- _____ (b) expedited approval from the Commission pursuant to Subsection 31A-2-405(3);
- _____ (2) This rule applies to a dual licensed title licensee and an applicant for a title insurance license or renewal of a title insurance license.

R592-5-3. Definitions.

- _____ Terms used in this rule are defined in Sections 31A-1-301 and 31A-2-402. Additional terms are defined as follows:
- _____ (1) "Dual licensed title licensee", as defined in Section 31A-2-402, does not mean:
- _____ (a) a title licensee who holds an inactive license under Subsections 31A-2-402(3)(b)(i), (ii) or (iii); or
- _____ (b) a title licensee who holds an education provider certificate;
- _____ (2) "Need for expedited approval" means a significant hardship to the buyer or seller in the transaction;
- _____ (3) "Principal" means a person from whom a dual licensee has received compensation for submitting a transaction under one or more of the licensee's dual licenses. Examples include a mortgage company, a real estate broker, an agency title insurance producer, a builder, or a developer;
- _____ (4) "Title insurance product" means the insuring, guaranteeing, or indemnifying of owners of real or personal property or the holders of liens or encumbrances on that property, or others interested in the property against loss or damage suffered by reason of liens or encumbrances upon, defects in, or the unmarketability of the title to the property, or invalidity or unenforceability of any liens or encumbrances on the property;
- _____ (5) "Title insurance service" has the same meaning as the definition of "escrow" found in Subsection 31A-1-301(61).

R592-5-4. Filing Requirements, Processes and Procedures.

- _____ (1) Only a dual licensed title licensee may file a request for approval for the provision of a title insurance product or service.
- _____ (2) A complete filing consists of a filing fee pursuant to Section 31A-3-103 and:
- _____ (a) a "Dual Licensee Request for Approval for the Provision of a Title Insurance Product or Service" form; or
- _____ (b) a "Dual Licensee Request for Expedited Approval for the Provision of a Title Insurance Product or Service" form;
- _____ (3) A filing to request approval of a "Dual Licensee Request for Approval for the Provision of a Title Insurance Product or Service" form must:
- _____ (a) be sent electronically to the commissioner via email to peforms.uid@utah.gov; and
- _____ (b) include credit card information in the payment section of the form;
- _____ (4) An expedited filing to request approval of a "Dual Licensee Request for Expedited Approval for the Provision of a Title Insurance Product or Service" form must:
- _____ (a) include a completed section 6, explaining the significant hardship to the buyer or seller, on the "Dual Licensee Request for Expedited Approval for the Provision of a Title Insurance Product or Service" form;
- _____ (b) be sent electronically to the Chair of the Commission via email to peforms.uid@utah.gov; and
- _____ (c) include credit card information in the payment section of the form;
- _____ (5) Approval or disapproval will be sent to the filer via return email.

R592-5-5. Severability.

_____ If any provision of this rule, Rule R592-5, 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 dual licensees

Date of Last Change: August 23, 2021

~~Notice of Continuation: September 12, 2022~~

~~Authorizing, and Implemented or Interpreted Law: 31A-2-404]~~



Steve Gooch <sgooch@utah.gov>

31A-23a-406(h)(i) Construction Money - New Rule

Holbrook, Kimberly <KHolbrook@oldrepublictitle.com>

Thu, Apr 10, 2025 at 10:26 AM

To: Nathan Sprague <nsprague@firstam.com>, "tina@juabtitle.com" <tina@juabtitle.com>, "Parke, Kevin" <kevin.s.parke@gmail.com>, "aventtrue@aol.com" <aventtrue@aol.com>

Cc: Steve Gooch <sgooch@utah.gov>, Reed Stringham <rmstringham@utah.gov>, Tracy Klausmeier <tklausmeier@utah.gov>, Jaimee George <jaimееgeorge@utah.gov>

Hello Nate and fellow TEC members,

The ULTA proposes the following guidance for a rule on construction money. If you have any questions let me know. Otherwise, I'd like to submit this to the TEC for consideration.

31A-23a-406 Title insurance producer's business

(h) the escrow does not require the individual title insurance producer or agency title insurance

producer to hold:

(i) construction money; or

(ii) money held for exchange under Section 1031, Internal Revenue Code; and

In the ordinary course of business, individual title insurance producers and/or agency title insurance producers hold and disburse "construction money" in various scenarios. All the permitted scenarios presume the transaction involves the issuance of an owner's policy; a lender's policy; or an endorsement to an owner's or lender's policy as required in 31A-23a-406(2)(c).

Scenario	Description	Guidance
Construction loan closing with new owner's or loan policy – work has commenced	The owner of the property has begun work on the property. To regain lien priority for the new construction loan, any general contractor, sub-contractors, or suppliers who have worked on the property with or without the filing of a preliminary notice on the property must be paid for the work done. Title companies who insure these new loans want to make sure payment happens to regain priority.	Permitted
Sale closing with new owner's or loan policy – work is complete	Work on the property is finished, but some contractors, sub-contractors or suppliers who have worked on the property have not been paid. Those unpaid items are paid at closing by the title company.	Permitted

Post-closing escrow with new owner's or loan policy	Construction work on a property is not finished at time of closing and must be completed post-closing.	Permitted
Construction loan periodic disbursement through the course of construction with a new endorsement or without an endorsement if the agent issued the initial loan policy.	Construction loan draws funded to the title company. Title company disburses to either a) borrower, b) general contractor or c) sub-contractors or d) suppliers who have worked on the property.	Permitted
Construction loan with new loan policy – full loan proceeds	The construction lender wants to have the title company hold all construction funds and disburse them periodically either to the a) borrower, b) general contractor, c) sub-contractors or d) suppliers who have worked on the property.	Prohibited

Scenario	Description	Guidance
Earnest money – new construction - released to seller	Purchase contract requires the borrower to make deposits that are to be released to the seller who may or may not use the funds for construction-related items.	Permitted
Earnest money – Released to other than seller	Purchase contract requires the borrower to make deposits that are to be released to the seller or to a) general contractor, b) sub-contractors or c) suppliers who have worked on the property.	Permitted
Post-closing escrow – original escrow agent has resigned	Funds were held to complete work done post-closing and the original escrow agent resigned. A different title agent is now being asked to take over as the new escrow agent.	Prohibited



Kim Holbrook

First Vice President | Old Republic National Title Insurance Company

Rocky Mountain Region & Western Title Division Agency Assistant Manager

T: 801.712.4655

kholbrook@oldrepublictitle.com

4/10/25, 12:54 PM

State of Utah Mail - 31A-23a-406(h)(i) Construction Money - New Rule

Old Republic Title | Old Republic Insurance Group

[3900 Traverse Mountain Boulevard | Suite 201 | Lehi, Utah 84043](#)

[oldrepublictitle.com](#)



Steve Gooch <sgooch@utah.gov>

31A-23a-406(h)(i) Construction Money - New Rule

Jaimee George <jaimееgeorge@utah.gov>

Fri, Apr 11, 2025 at 11:24 AM

To: "Holbrook, Kimberly" <KHolbrook@oldrepublictitle.com>

Cc: Nathan Sprague <nsprague@firstam.com>, "tina@juabtitle.com" <tina@juabtitle.com>, "Parke, Kevin" <kevin.s.parke@gmail.com>, "aventtrue@aol.com" <aventtrue@aol.com>, Steve Gooch <sgooch@utah.gov>, Reed Stringham <rmstringham@utah.gov>, Tracy Klausmeier <tklausmeier@utah.gov>

Hello,

The Department has reviewed the proposed guidance submitted by Kim and provides the following for review and consideration.

The proposed guidance on construction money attempts to clarify permissible and prohibited activities for title agencies. However, enforcing distinctions between permitted and prohibited scenarios involving holding and disbursing construction funds would be difficult for the Department of Insurance to enforce. What happens if we have a scenario that isn't either permitted or prohibited? Instead of creating potentially unenforceable distinctions, we should focus solely on clearly prohibited activities and ensure strict adherence to lender disbursement instructions.

The distinction based on the issuance of a new policy or endorsement creates enforcement challenges. The fundamental action of holding and disbursing construction funds remains the same across various scenarios, making it difficult for regulators to differentiate based on the extent or timing of disbursements.

Consider the "Construction loan periodic disbursement" scenario deemed permitted, where the title company disburses funds to various parties involved in construction. Now compare this to the "Construction loan with new loan policy – full loan proceeds" scenario, which is prohibited.

The fundamental action, the title company holding and disbursing construction-related funds, is the same in both scenarios. The only differentiating factor, according to the guidance, is the extent to which the funds are held and disbursed. How would regulators effectively monitor and verify whether a title company is holding "periodic disbursements" versus "full loan proceeds"? The documentation involved in both scenarios could appear similar, making it challenging to definitively categorize the activity.

Furthermore, the permitted "Sale closing with new owner's or loan policy – work is complete" scenario also involves the title company holding and disbursing funds to pay contractors. This further blurs the lines and highlights the difficulty in establishing clear, enforceable boundaries based on the timing or completeness of the work.

Therefore, our focus should be on prohibited activities. Lenders should hold the full construction loan proceeds and Title agencies should only accept and disburse construction funds according to the lender's written instructions at intervals determined by the lender. Determining when and to whom funds are released based on construction progress is solely the lender's responsibility. Title agencies should act as neutral facilitators, adhering to lender directives. For any post-closing escrow, the original escrow agent should be the same escrow agent throughout the entire transaction. All construction money transactions should include a title insurance policy as required by 31A-23a-406(2)(c).

Thanks,

On Thu, Apr 10, 2025 at 10:26 AM Holbrook, Kimberly <KHolbrook@oldrepublictitle.com> wrote:

[Quoted text hidden]

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The Utah Insurance Department is committed to providing excellent service to all customers. We invite you to provide us feedback on your experience at https://utconciierge.qualtrics.com/jfe/form/SV_0oizU5rXeLE8dHU.

Jaimee L. George, Title MCE/Auditor III, MBA, ACP, CCP, AIRC, ALMI, FLMI, ASRI, FSRI, MCM, AIE, CICS, APIR, PIR
Property & Casualty Division

Utah Insurance Department

4315 S. 2700 West, Ste. 2300 | Taylorsville, UT 84129

P: 801-957-9305 | jaimeegeorge@utah.gov



To submit personal or confidential information, use the department's secure website at <https://portal.uid.utah.gov>.

The information in this email is not legal advice. If you are an unintended recipient of this email, the sender did not intend to waive confidentiality by sending it to you. Please notify the sender that you received this email and then delete it. Do not duplicate or disseminate.