

TITLE INSURANCE (C) TASK FORCE

Title Insurance (C) Task Force Nov. 24, 2020, Minutes

Title Insurance (C) Task Force Oct. 21, 2020, Minutes (Attachment One)

Title Insurance (C) Task Force 2021 Proposed Charges (Attachment One-A)

W:\National Meetings\2020\Fall\TF\Title\Contents.docx

Draft Pending Adoption

Draft: 12/1/20

Title Insurance (C) Task Force
E-Vote (*in lieu of meeting at the Fall National Meeting*)
November 24, 2020

The Title Insurance (C) Task Force conducted an e-vote that concluded Nov. 24, 2020. The following Task Force members participated: Michael S. Pieciak, Chair, and Kevin Gaffney (VT); James J. Donelon, Vice Chair, and Warren Byrd (LA); Michael Conway represented by Damion Hughes and Dennis Newman (CO); David Altmaier represented by Anoush Brangaccio (FL); Colin M. Hayashida represented by Paul Yuen (HI); Vicki Schmidt represented by Heather Droge (KS); Kathleen A. Birrane (MD); Grace Arnold represented by Paul Hanson (MN); Chlora Lindley-Myers represented by Carrie Couch (MO); Mike Causey represented by Fred Fuller (NC); Bruce Ramge (NE); Marlene Caride (NJ); Barbara D. Richardson represented by Erin Summers (NV); Tynesia Dorsey represented by Michelle Brugh Rafeld (OH); Jessica K. Altman represented by Mark Lersch and Michael McKenney (PA); and Scott White (VA).

1. Adopted its 2019 Fall National Meeting and 2020 Summer National Meeting Minutes.

The Task Force conducted an e-vote to consider adoption of its 2019 Fall National Meeting and 2020 Summer National Meeting minutes.

A majority of the members voted in favor of adopting the Task Force's Dec. 8, 2019 (*see NAIC Proceedings – Fall 2019, Title Insurance (C) Task Force*) and Aug. 5, 2020 (*see NAIC Proceedings – Summer 2020, Title Insurance (C) Task Force*) minutes. The motion passed.

2. Adopted its 2021 Proposed Charges

The Task Force met Oct. 21 (Attachment One) to adopt its 2021 proposed charges (Attachment One-A). The proposed charges include adding a charge to its existing charges to explore issues and solutions related to the COVID-19 pandemic. The proposed charges also include elevating the existing charge to revise the *Title Insurance Consumer Shopping Tool* to include fraud topics, such as closing protection letters and wire fraud, to an essential work item for 2021.

Having no further business, the Title Insurance (C) Task Force adjourned.

W:\National Meetings\2020\Fall\TF\Title\11.24-TitleTF.docx

Draft Pending Adoption

Attachment One
Title Insurance (C) Task Force
11/24/20

Draft: 11/2/20

Title Insurance (C) Task Force Virtual Meeting October 21, 2020

The Title Insurance (C) Task Force met Oct. 21, 2020. The following Task Force members participated: Michael S. Pieciak, Chair, represented by Kevin Gaffney (VT); James J. Donelon, Vice Chair, and Warren Byrd (LA); Elizabeth Perri (AS); Lori Wing-Heier, represented by Katie Hegland (AK); Michael Conway represented by Neil A. Derr (CO); David Altmaier represented by Anoush Brangaccio (FL); Colin M. Hayashida represented by Paul Yuen (HI); Vicki Schmidt represented by Heather Droge (KS); Kathleen A. Birrane represented by David Zitterbart (MD); Grace Arnold represented by Paul Hanson (MN); Chlora Lindley-Myers represented by Marjorie Thompson (MO); Bruce R. Ramge (NE); Marlene Caride represented by Randall Currier (NJ); Tynesia Dorsey represented by Michelle Brugh Rafeld (OH); Jessica K. Altman represented by Bojan Zorkic (PA); and Raymond G. Farmer represented by Joe Cregan (SC).

1. Discussed its 2021 Proposed Charges

Mr. Gaffney stated it has been proposed that the Task Force add a charge to “explore short-term and long-term issues and solutions from the pandemic” to its existing charges. Additionally, it has been proposed that the Task Force elevate the existing charge to “revise the Title Insurance Consumer Shopping Tool Template to include questions and answers about title insurance-related fraud topics, including, but not limited to, closing protection letters and wire fraud” to an essential work item for 2021. This charge was added to the 2020 charges at the suggestion of NAIC consumer advocates Brenda J. Cude (University of Georgia) and Birny Birnbaum (Center for Economic Justice—CEJ).

Mr. Byrd stated he supports elevating the charge to revise the Title Insurance Consumer Shopping Tool (Shopping Tool). He said he was involved with the Shopping Tool’s original development, along with Ms. Cude and Mr. Birnbaum, and believes it to be very valuable. He said it is important to revise it to get the word out on the benefits and pitfalls of title insurance to real estate agents, title agents and others. Ms. Rafeld stated she also supports elevating the charge to revise the Shopping Tool and offered to help in its revision.

2. Adopted its 2021 Proposed Charges

Mr. Gaffney stated the Task Force’s 2021 proposed charges (Attachment One-A) were posted to the Task Force’s committee page and circulated with an updated call announcement on Oct. 12. He asked if Task Force members or anyone else thinks additional exposure time is needed to allow for other parties to submit comment letters.

Mr. Byrd stated he believes the 2021 proposed charges have been fully vetted and are ready for adoption. Mr. Yuen stated he also believes the proposed charges are ready for adoption.

Mr. Gaffney asked if anyone else had concerns about the Task Force proceeding with adoption. Hearing none, he asked if anyone wanted to make a motion to adopt.

Director Ramge made a motion, seconded by Mr. Byrd, to adopt the Task Force’s 2021 proposed charges. The motion passed unanimously.

Having no further business, the Title Insurance (C) Task Force adjourned.

W:\National Meetings\2020\Fall\TF\Title\10.21-TitleTF.docx

Draft: 11/5/20

Adopted by the Executive (EX) Committee and Plenary, Nov. __, 2020

Adopted by the Property and Casualty Insurance (C) Committee, Nov. __, 2020

Adopted by the Title Insurance (C) Task Force, Oct. 21, 2020

2021 Proposed Charges

TITLE INSURANCE (C) TASK FORCE

The mission of the Title Insurance (C) Task Force is to study issues related to title insurers and title insurance producers.

Ongoing Support of NAIC Programs, Products or Services

1. The **Title Insurance (C) Task Force** will:
 - A. Monitor issues and developments occurring in the title insurance industry, and provide support and expertise to other NAIC committees, task forces and/or working groups, or outside entities, as appropriate.
 - B. Review and assist various regulatory bodies in combating fraudulent and/or unfair real estate settlement activities. Such efforts could include working with the Antifraud (D) Task Force and other NAIC committees, task forces and/or working groups to combat mortgage fraud and mitigating title agent defalcations through the promotion of closing protection letters (CPLs) and other remedies. Report results at each national meeting.
 - C. Consult with the Consumer Financial Protection Bureau (CFPB) and other agencies responsible for information; education; and disclosure for mortgage lending, closing and settlement services about the role of title insurance in the real estate transaction process.
 - D. Consider the effectiveness of changes in financial reporting by title insurance companies, and identify further improvements and clarifications to blanks, instructions, Statement of Statutory Accounting Principles (SSAPs), solvency tools, and other matters, as necessary. Coordinate efforts with the Statutory Accounting Principles (E) Working Group.
 - E. Revise the Title Insurance Consumer Shopping Tool Template to include questions and answers about title insurance-related fraud topics, including but not limited to, CPLs and wire fraud.
 - F. Evaluate the effectiveness of CPLs, including but not limited to, intent, state regulation and requirements, consumer protections offered and excluded, and potential alternatives for coverage.
 - G. Explore short-term and long-term issues and solutions from the pandemic.

NAIC Support Staff: Anne Obersteadt

W:\National Meetings\2020\Fall\TF\Title\10.21 Conference Call