

8202

2013-2014 Regular Sessions

I N   A S S E M B L Y

October 24, 2013

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Introduced by M. of A. CAHILL, MORELLE -- read once and referred to the  
Committee on Insurance

AN ACT to amend the insurance law, in relation to the licensing of  
agents of authorized title insurance corporations; and to repeal  
certain provisions of such law relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEM-  
BLY, DO ENACT AS FOLLOWS:

1     Section 1. The opening paragraph of subsection (k) of section 2101 of  
2     the insurance law, as added by chapter 687 of the laws of 2003, is  
3     amended to read as follows:

4     In this article, "insurance producer" means an insurance agent, TITLE  
5     INSURANCE AGENT, insurance broker, reinsurance intermediary, excess  
6     lines broker, or any other person required to be licensed under the laws  
7     of this state to sell, solicit or negotiate insurance. Such term shall  
8     not include:

9     S 2. Paragraph 4 of subsection (k) of section 2101 of the insurance  
10     law is REPEALED and paragraphs 5, 6, 7, 8, 9, 10, 11 and 12 are renum-  
11     bered paragraphs 4, 5, 6, 7, 8, 9, 10 and 11.

12     S 3. Section 2101 of the insurance law is amended by adding a new  
13     subsection (y) to read as follows:

14     (Y) (1) IN THIS CHAPTER, "TITLE INSURANCE AGENT" MEANS ANY AUTHORIZED  
15     OR ACKNOWLEDGED AGENT OF A TITLE INSURANCE CORPORATION, WHICH EVALUATES  
16     THE TITLE SEARCH TO DETERMINE INSURABILITY OF TITLE AND PERFORMS  
17     SUBSTANTIALLY ALL OF THE FOLLOWING FUNCTIONS:

18     (A) PREPARES AND ISSUES A TITLE INSURANCE COMMITMENT OR CERTIFICATE OF  
19     TITLE FOR THE PURPOSE OF ISSUING A TITLE INSURANCE POLICY;

20     (B) CLEARS UNDERWRITING EXCEPTIONS IN CONNECTION WITH THE ISSUANCE OF  
21     A TITLE INSURANCE POLICY;

22     (C) ITSELF OR BY ITS DESIGNEE MARKS UP THE TITLE INSURANCE COMMITMENT  
23     OR CERTIFICATE OF TITLE TO BIND A TITLE INSURANCE CORPORATION;

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 (D) PREPARES AND ISSUES A TITLE INSURANCE POLICY ON BEHALF OF A TITLE  
2 INSURANCE CORPORATION;

3 (E) COLLECTS THE TITLE INSURANCE PREMIUM, A PORTION OF WHICH IS REMIT-  
4 TED TO THE TITLE INSURANCE CORPORATION.

5 (2) NO TITLE INSURANCE CORPORATION DOING BUSINESS IN THIS STATE, AND  
6 NO AGENT OR OTHER REPRESENTATIVE THEREOF, SHALL PAY ANY PERCENTAGE OF  
7 THE TITLE INSURANCE PREMIUM OR FEES COLLECTED TO ANY PERSON, FIRM, ASSO-  
8 CIATION OR CORPORATION FOR PERFORMING ANY OF THE FUNCTIONS OF A TITLE  
9 INSURANCE AGENT, EXCEPT TO A LICENSED TITLE INSURANCE AGENT.

10 (3) SUCH TERM SHALL NOT INCLUDE ANY REGULAR SALARIED OFFICER OR  
11 EMPLOYEE OF AN AUTHORIZED TITLE INSURANCE CORPORATION OR OF A LICENSED  
12 TITLE INSURANCE AGENT.

13 S 4. Subparagraph (A) of paragraph 1 of subsection (a) of section 2102  
14 of the insurance law, as amended by section 8 of part I of chapter 61 of  
15 the laws of 2011, is amended to read as follows:

16 (A) No person, firm, association or corporation shall act as an insur-  
17 ance producer, insurance adjuster OR TITLE INSURANCE AGENT or life  
18 settlement broker in this state without having authority to do so by  
19 virtue of a license issued and in force pursuant to the provisions of  
20 this chapter.

21 S 5. Subsection (a) of section 2109 of the insurance law, paragraph 3  
22 as amended by chapter 687 of the laws of 2003, is amended to read as  
23 follows:

24 (a) The superintendent may issue a temporary insurance agent's  
25 LICENSE, TITLE INSURANCE AGENT'S LICENSE or insurance broker's license,  
26 or both, AN INSURANCE AGENT'S AND INSURANCE BROKER'S LICENSE, without  
27 requiring the applicant to pass a written examination or to satisfy the  
28 requirements of subsection (c) of section two thousand one hundred four  
29 of this article except as to age, in the case of a license issued pursu-  
30 ant to paragraph two [hereof] OF THIS SUBSECTION, in the following  
31 cases:

32 (1) in the case of the death of a person who at the time of his death  
33 was a licensed accident and health insurance agent under subsection (a)  
34 of section two thousand one hundred three of this article, a licensed  
35 insurance agent under subsection (b) of such section, A LICENSED TITLE  
36 INSURANCE AGENT or a licensed insurance broker:

37 (A) to the executor or administrator of the estate of such deceased  
38 agent or broker;

39 (B) to a surviving next of kin of such deceased agent or broker, where  
40 no administrator of his estate has been appointed and no executor has  
41 qualified under his duly probated will;

42 (C) to the surviving member or members of a firm or association, which  
43 at the time of the death of a member was such a licensed insurance  
44 agent, LICENSED TITLE INSURANCE AGENT or licensed insurance broker; or

45 (D) to an officer or director of a corporation upon the death of the  
46 only officer or director who was qualified as a sub-licensee or to the  
47 executor or administrator of the estate of such deceased officer or  
48 director;

49 (2) to any person who may be designated by a person licensed pursuant  
50 to this chapter as an insurance agent, TITLE INSURANCE AGENT or an  
51 insurance broker, or both AN INSURANCE AGENT AND INSURANCE BROKER, and  
52 who is absent because of service in any branch of the armed forces of  
53 the United States, including a partnership or corporation which is  
54 licensed pursuant to this chapter as an insurance agent, TITLE INSURANCE  
55 AGENT or as an insurance broker, or both AN INSURANCE AGENT AND INSUR-  
56 ANCE BROKER, in a case where the sub-licensee or all sub-licensees, if

1 more than one, named in the license or licenses issued to such partner-  
2 ship or corporation is or are absent because of service in any branch of  
3 the armed forces of the United States; and

4 (3) to the next of kin of a person who has become totally disabled and  
5 prevented from pursuing any of the duties of his or her occupation, and  
6 who at the commencement of his or her disability was a licensed accident  
7 and health insurance agent under subsection (a) of section two thousand  
8 one hundred three of this article, a licensed insurance agent under  
9 subsection (b) of such section, A LICENSED TITLE INSURANCE AGENT or a  
10 licensed insurance broker.

11 S 6. Subsection (c) of section 2109 of the insurance law is amended to  
12 read as follows:

13 (c) Such license or licenses shall authorize the person or persons  
14 named therein to renew the business of the deceased, absent or disabled  
15 INSURANCE agent, TITLE INSURANCE AGENT, or INSURANCE broker, or both AN  
16 INSURANCE AGENT AND INSURANCE BROKER, as the case may be, or of the firm  
17 or, in the case of a license issued pursuant to paragraph one or three  
18 of subsection (a) [hereof] OF THIS SECTION, the association whose busi-  
19 ness is being continued thereunder, each such agent, broker, firm or  
20 association being referred to in this section as "original licensee",  
21 expiring during the period in which such temporary license or licenses  
22 are in force, to collect premiums due and payable to the original licen-  
23 see or, in the case of a license issued pursuant to paragraph one of  
24 subsection (a) [hereof] OF THIS SECTION, to his estate, and to perform  
25 such other acts as an insurance agent, TITLE INSURANCE AGENT or as an  
26 insurance broker, or both AN INSURANCE AGENT AND INSURANCE BROKER, as  
27 the case may be, as are incidental to the continuance of the insurance  
28 business of such original licensee.

29 S 7. Paragraph 4 of subsection (e) of section 2109 of the insurance  
30 law, as amended by chapter 687 of the laws of 2003, is amended to read  
31 as follows:

32 (4) No person or persons so licensed, EXCEPT FOR A TITLE INSURANCE  
33 AGENT, shall, by virtue of such license, be authorized to solicit, nego-  
34 tiate or sell new insurance.

35 S 8. Paragraph 3 of subsection (f) of section 2109 of the insurance  
36 law is amended to read as follows:

37 (3) No person so licensed, EXCEPT FOR A TITLE INSURANCE AGENT, shall  
38 solicit new business under such license.

39 S 9. Paragraph 2 of subsection (g) of section 2109 of the insurance  
40 law, as amended by chapter 687 of the laws of 2003, is amended to read  
41 as follows:

42 (2) No person or persons so licensed, EXCEPT FOR A TITLE INSURANCE  
43 AGENT, shall, by virtue of such license, be authorized to solicit, nego-  
44 tiate or sell new insurance.

45 S 10. The section heading and subsections (a) and (b) of section 2110  
46 of the insurance law, as amended by chapter 499 of the laws of 2009, are  
47 amended to read as follows:

48 Revocation or suspension of license of insurance producer, insurance  
49 consultant, adjuster [or], life settlement broker OR TITLE INSURANCE  
50 AGENT. (a) The superintendent may refuse to renew, revoke, or may  
51 suspend for a period the superintendent determines the license of any  
52 insurance producer, TITLE INSURANCE AGENT, insurance consultant, adjus-  
53 ter or life settlement broker, if, after notice and hearing, the super-  
54 intendent determines that the licensee or any sub-licensee has:

55 (1) violated any insurance laws, or violated any regulation, subpoena  
56 or order of the superintendent or of another state's insurance commis-

1 sioner, or has violated any law in the course of his or her dealings in  
2 such capacity;

3 (2) provided materially incorrect, materially misleading, materially  
4 incomplete or materially untrue information in the license application;

5 (3) obtained or attempted to obtain a license through misrepresen-  
6 tation or fraud;

7 (4)(A) used fraudulent, coercive or dishonest practices;

8 (B) demonstrated incompetence;

9 (C) demonstrated untrustworthiness; or

10 (D) demonstrated financial irresponsibility in the conduct of business  
11 in this state or elsewhere;

12 (5) improperly withheld, misappropriated or converted any monies or  
13 properties received in the course of business in this state or else-  
14 where;

15 (6) intentionally misrepresented the terms of an actual or proposed  
16 insurance contract, life settlement contract or application for insur-  
17 ance;

18 (7) has been convicted of a felony;

19 (8) admitted or been found to have committed any insurance unfair  
20 trade practice or fraud;

21 (9) had an insurance producer license, a life settlement broker  
22 license, TITLE INSURANCE AGENT LICENSE, or its equivalent, denied,  
23 suspended or revoked in any other state, province, district or territo-  
24 ry;

25 (10) forged another's name to an application for insurance or life  
26 settlement contract or to any document related to an insurance or life  
27 settlement transaction;

28 (11) improperly used notes or any other reference material to complete  
29 an examination for an insurance license or life settlement broker  
30 license;

31 (12) knowingly accepted insurance business from an individual who is  
32 not licensed;

33 (13) failed to comply with an administrative or court order imposing a  
34 child support obligation;

35 (14) failed to pay state income tax or comply with any administrative  
36 or court order directing payment of state income tax;

37 (15) while acting as a life settlement broker, failed to protect the  
38 privacy of the insured or owner or other person for whom the life  
39 settlement broker was required to provide protection pursuant to article  
40 seventy-eight of this chapter; or

41 (16) ceased to meet the requirements for licensure under this chapter.

42 (b) Before revoking or suspending the license of any insurance produc-  
43 er, TITLE INSURANCE AGENT, life settlement broker or other licensee  
44 pursuant to the provisions of this article, the superintendent shall,  
45 except when proceeding pursuant to subsection (f) of this section, give  
46 notice to the licensee and to every sub-licensee and shall hold, or  
47 cause to be held, a hearing not less than ten days after the giving of  
48 such notice.

49 S 11. Subsections (a) and (d) of section 2112 of the insurance law,  
50 subsection (a) as amended by chapter 540 of the laws of 1996 and  
51 subsection (d) as amended by chapter 687 of the laws of 2003, are  
52 amended to read as follows:

53 (a) Every insurer, fraternal benefit society or health maintenance  
54 organization doing business in this state shall file a certificate of  
55 appointment in such form as the superintendent may prescribe in order to

1 appoint insurance agents OR TITLE INSURANCE AGENTS to represent such  
2 insurer, fraternal benefit society or health maintenance organization.

3 (d) Every insurer, fraternal benefit society or health maintenance  
4 organization or insurance producer or the authorized representative of  
5 the insurer, fraternal benefit society, health maintenance organization  
6 or insurance producer doing business in this state shall, upon termi-  
7 nation of the certificate of appointment as set forth in subsection (a)  
8 of this section of any insurance agent OR TITLE INSURANCE AGENT licensed  
9 in this state, or upon termination for cause for activities as set forth  
10 in subsection (a) of section two thousand one hundred ten of this arti-  
11 cle, of the certificate of appointment, of employment, of a contract or  
12 other insurance business relationship with any insurance producer, file  
13 with the superintendent within thirty days a statement, in such form as  
14 the superintendent may prescribe, of the facts relative to such termi-  
15 nation for cause. The insurer, fraternal benefit society, health mainte-  
16 nance organization, insurance producer or the authorized representative  
17 of the insurer, fraternal benefit society, health maintenance organiza-  
18 tion or insurance producer shall provide, within fifteen days after  
19 notification has been sent to the superintendent, a copy of the state-  
20 ment filed with the superintendent to the insurance producer at his, or  
21 her or its last known address by certified mail, return receipt  
22 requested, postage prepaid or by overnight delivery using a nationally  
23 recognized carrier. Every statement made pursuant to this subsection  
24 shall be deemed a privileged communication.

25 S 12. The insurance law is amended by adding a new section 2113 to  
26 read as follows:

27 S 2113. TITLE INSURANCE AGENTS; PROHIBITED PAYMENTS. (A) NO TITLE  
28 INSURANCE AGENT OR ANY REPRESENTATIVE OF SUCH AGENT DOING BUSINESS IN  
29 THIS STATE, SHALL PAY ANY PERCENTAGE OF THE TITLE INSURANCE PREMIUM OR  
30 FEES COLLECTED TO ANY OTHER TITLE INSURANCE AGENT OR ANY REPRESENTATIVE  
31 OF SUCH AGENT.

32 (B) A TITLE INSURANCE AGENT SHALL NOT DIRECTLY OR INDIRECTLY ACCEPT  
33 ANY PAYMENT FOR OR REIMBURSEMENT OF ANY FEE, FINE OR PENALTY IMPOSED BY  
34 THE SUPERINTENDENT ON THE TITLE INSURANCE AGENT PURSUANT TO THIS CHAP-  
35 TER.

36 S 13. The section heading and subsections (a) and (c) of section 2120  
37 of the insurance law are amended to read as follows:

38 Fiduciary capacity of insurance agents, TITLE INSURANCE AGENTS, insur-  
39 ance brokers and reinsurance intermediaries. (a) Every insurance agent,  
40 TITLE INSURANCE AGENT and [every] insurance broker acting as such in  
41 this state shall be responsible in a fiduciary capacity for all funds  
42 received or collected as insurance agent, TITLE INSURANCE AGENT or  
43 insurance broker, and shall not, without the express consent of his, HER  
44 or its principal, mingle any such funds with his, HER or its own funds  
45 or with funds held by him, HER or it in any other capacity.

46 (c) This section shall not require any such INSURANCE agent, TITLE  
47 INSURANCE AGENT, INSURANCE broker or reinsurance intermediary to main-  
48 tain a separate bank deposit for the funds of each such principal, if  
49 and as long as the funds so held for each such principal are reasonably  
50 ascertainable from the books of account and records of such agent,  
51 broker or reinsurance intermediary, as the case may be.

52 S 14. The section heading and subsection (a) of section 2122 of the  
53 insurance law are amended to read as follows:

54 Advertising by insurance [agents and brokers] PRODUCERS. (a) (1) No  
55 insurance [agent or insurance broker] PRODUCER shall make or issue in  
56 this state any advertisement, sign, pamphlet, circular, card or other

1 public announcement purporting to make known the financial condition of  
2 any insurer, unless the same shall conform to the requirements of  
3 section one thousand three hundred thirteen of this chapter.

4 (2) No insurance [agent, insurance broker] PRODUCER or other person,  
5 shall, by any advertisement or public announcement in this state, call  
6 attention to any unauthorized insurer or insurers.

7 S 15. Subsections (a) and (b) of section 2128 of the insurance law are  
8 amended to read as follows:

9 (a) Notwithstanding the provisions of sections two thousand three  
10 hundred twenty-four and four thousand two hundred twenty-four of this  
11 chapter, no [insurance agent, insurance broker, insurance consultant,  
12 excess line broker, reinsurance intermediary or insurance adjuster]  
13 LICENSEE SUBJECT TO THIS CHAPTER shall receive any commissions or fees  
14 or shares thereof in connection with insurance coverages placed for or  
15 insurance services rendered to the state, its agencies and departments,  
16 public benefit corporations, municipalities and other governmental  
17 subdivisions in this state, unless such [insurance agent, insurance  
18 broker, insurance consultant, excess line broker, reinsurance interme-  
19 diary or insurance adjuster] LICENSEE actually placed insurance cover-  
20 ages on behalf of or rendered insurance services to the state, its agen-  
21 cies and departments, public benefit corporations, municipalities and  
22 other governmental subdivisions in this state.

23 (b) The superintendent shall, by regulation, require [insurance  
24 agents, insurance brokers, insurance consultants, excess line brokers,  
25 reinsurance intermediaries and insurance adjusters] LICENSEES SUBJECT TO  
26 THIS CHAPTER to file disclosure statements with the insurance department  
27 and the most senior official of the governmental unit involved, with  
28 respect to any insurance coverages placed for or insurance services  
29 rendered to the state, its agencies and departments, public benefit  
30 corporations, municipalities and other governmental subdivisions in this  
31 state, EXCEPT THAT TITLE INSURANCE CORPORATIONS AND TITLE INSURANCE  
32 AGENTS SHALL ONLY BE REQUIRED TO FILE DISCLOSURE STATEMENTS ANNUALLY.  
33 ANY SUBMISSIONS MADE PURSUANT TO THIS SECTION SHALL BE DEEMED TRADE  
34 SECRETS WHICH IF DISCLOSED TO ANY THIRD PARTY WOULD CAUSE SUBSTANTIAL  
35 INJURY TO THE COMPETITIVE POSITION OF THE SUBMITTER. AS SUCH, SAID  
36 DISCLOSURES ARE EXEMPT FROM FREEDOM OF INFORMATION LAW REQUESTS PURSUANT  
37 TO PARAGRAPH (D) OF SUBDIVISION TWO OF SECTION EIGHT-SEVEN OF THE PUBLIC  
38 OFFICERS LAW.

39 S 16. Subsection (b) of section 2132 of the insurance law, as amended  
40 by chapter 499 of the laws of 2009, is amended to read as follows:

41 (b) This section shall not apply to:

42 (1) those persons holding licenses for which an examination is not  
43 required by the laws of this state;

44 (2) any limited licensees or any other licensees as the superintendent  
45 may exempt subject to any continuing education requirements deemed  
46 appropriate by the superintendent; [or]

47 (3) for purposes of the continuing education requirements for life  
48 settlements, an insurance producer with a life line of authority who is  
49 acting as a life settlement broker pursuant to section two thousand one  
50 hundred thirty-seven of this article[.]; OR

51 (4) FOR PURPOSES OF A TITLE INSURANCE AGENT LICENSE, AN ATTORNEY  
52 LICENSED TO PRACTICE LAW IN THIS STATE, PROVIDED SAID ATTORNEY IS IN  
53 GOOD STANDING WITH THE NEW YORK STATE OFFICE OF COURT ADMINISTRATION.

54 S 17. The insurance law is amended by adding a new section 2139 to  
55 read as follows:

1 S 2139. TITLE INSURANCE AGENTS; LICENSING. (A) THE SUPERINTENDENT MAY  
2 ISSUE A LICENSE TO ANY PERSON, FIRM, ASSOCIATION OR CORPORATION WHO OR  
3 WHICH HAS COMPLIED WITH THE REQUIREMENTS OF THIS CHAPTER, AUTHORIZING  
4 THE LICENSEE TO ACT AS A TITLE INSURANCE AGENT OF ANY AUTHORIZED TITLE  
5 INSURANCE CORPORATION.

6 (B) ANY SUCH LICENSE ISSUED TO A FIRM OR ASSOCIATION SHALL AUTHORIZE  
7 ONLY THE MEMBERS THEREOF, NAMED IN SUCH LICENSE AS SUB-LICENSEES, TO ACT  
8 INDIVIDUALLY AS TITLE INSURANCE AGENTS THEREUNDER, AND ANY SUCH LICENSE  
9 ISSUED TO A CORPORATION SHALL AUTHORIZE ONLY THE OFFICERS AND DIRECTORS  
10 THEREOF, NAMED IN SUCH LICENSE AS SUB-LICENSEES, TO ACT INDIVIDUALLY AS  
11 TITLE INSURANCE AGENTS THEREUNDER. EVERY SUB-LICENSEE ACTING AS A TITLE  
12 INSURANCE AGENT PURSUANT TO SUCH A LICENSE SHALL BE AUTHORIZED SO TO ACT  
13 ONLY IN THE NAME OF THE LICENSEE. IN THE CASE OF A LICENSE ISSUED TO A  
14 TITLE INSURANCE AGENT, AT LEAST ONE DESIGNATED SUB-LICENSEE MUST HAVE A  
15 FINANCIAL OR OTHER BENEFICIAL INTEREST IN THE LICENSEE.

16 (C) EVERY INDIVIDUAL APPLICANT FOR A LICENSE UNDER THIS SECTION AND  
17 EVERY PROPOSED LICENSEE SHALL BE EIGHTEEN YEARS OF AGE OR OLDER AT THE  
18 TIME OF THE ISSUANCE OF SUCH LICENSE.

19 (D)(1) BEFORE ANY ORIGINAL TITLE INSURANCE AGENT'S LICENSE IS ISSUED,  
20 THERE SHALL BE ON FILE IN THE OFFICE OF THE SUPERINTENDENT AN APPLICA-  
21 TION BY THE PROSPECTIVE LICENSEE IN SUCH FORM OR FORMS AND SUPPLEMENTS  
22 THERETO, ALONG WITH A FEE IN THE AMOUNT OF FORTY DOLLARS FOR EACH YEAR  
23 OR FRACTION OF A YEAR IN WHICH THE LICENSE SHALL BE VALID, AND CONTAIN-  
24 ING INFORMATION THE SUPERINTENDENT PRESCRIBES. FOR EACH BUSINESS ENTITY,  
25 THE SUB-LICENSEE OR SUB-LICENSEES NAMED IN THE APPLICATION SHALL BE  
26 DESIGNATED RESPONSIBLE FOR THE BUSINESS ENTITY'S COMPLIANCE WITH THIS  
27 CHAPTER AND REGULATION PROMULGATED THEREUNDER.

28 (2) THE SUPERINTENDENT MAY REQUIRE ANY INDIVIDUAL NAMED IN THE APPLI-  
29 CATION FOR SUCH LICENSE TO SUBMIT A SET OF FINGERPRINTS. SUCH FINGER-  
30 PRINTS SHALL BE SUBMITTED TO THE DIVISION OF CRIMINAL JUSTICE SERVICES  
31 FOR A STATE A CRIMINAL HISTORY RECORD CHECK. FOR THE PURPOSES OF THIS  
32 PARAGRAPH, "CRIMINAL HISTORY RECORD" SHALL MEAN A RECORD OF ALL  
33 CONVICTIONS OF CRIMES AND ANY PENDING CRIMINAL CHARGES MAINTAINED ON AN  
34 INDIVIDUAL BY THE DIVISION OF CRIMINAL JUSTICE SERVICES AND THE FEDERAL  
35 BUREAU OF INVESTIGATION. ALL SUCH CRIMINAL HISTORY RECORDS SENT TO THE  
36 SUPERINTENDENT PURSUANT TO THIS PARAGRAPH SHALL BE CONFIDENTIAL PURSUANT  
37 TO THE APPLICABLE FEDERAL AND STATE LAWS, RULES AND REGULATIONS, AND  
38 SHALL NOT BE PUBLISHED OR IN ANY WAY DISCLOSED TO PERSONS OTHER THAN THE  
39 SUPERINTENDENT, UNLESS OTHERWISE AUTHORIZED BY LAW. THE SUPERINTENDENT  
40 SHALL PROVIDE SUCH APPLICANT WITH A COPY OF HIS OR HER CRIMINAL HISTORY  
41 RECORD, IF ANY, TOGETHER WITH A COPY OF ARTICLE TWENTY-THREE-A OF THE  
42 CORRECTION LAW, AND INFORM SUCH APPLICANT OF HIS OR HER RIGHT TO SEEK  
43 CORRECTION OF ANY INCORRECT INFORMATION CONTAINED IN SUCH RECORD PURSU-  
44 ANT TO REGULATIONS AND PROCEDURES ESTABLISHED BY THE DIVISION OF CRIMI-  
45 NAL JUSTICE SERVICES. ALL DETERMINATIONS TO GRANT OR DENY CLEARANCE FOR  
46 LICENSURE PURSUANT TO THIS SECTION SHALL BE IN ACCORDANCE WITH SUBDIVI-  
47 SION SIXTEEN OF SECTION TWO HUNDRED NINETY-SIX OF THE EXECUTIVE LAW AND  
48 ARTICLE TWENTY-THREE-A OF THE CORRECTION LAW. WHEN THE SUPERINTENDENT  
49 DENIES AN APPLICATION, WRITTEN NOTICE OF SUCH DETERMINATION SHALL BE  
50 GIVEN TO THE PROSPECTIVE APPLICANT WHO SHALL BE AFFORDED NOTICE AND THE  
51 RIGHT TO BE HEARD AND OFFER PROOF IN OPPOSITION TO SUCH DETERMINATION.

52 (E) THE SUPERINTENDENT SHALL, IN ORDER TO DETERMINE THE COMPETENCY OF  
53 EVERY INDIVIDUAL APPLICANT AND OF EVERY PROPOSED SUB-LICENSEE FOR THE  
54 TITLE INSURANCE AGENT LICENSE, REQUIRE SUCH INDIVIDUAL TO SUBMIT TO A  
55 PERSONAL WRITTEN EXAMINATION AND TO PASS THE SAME TO THE SATISFACTION OF  
56 THE SUPERINTENDENT. THE EXAMINATION SHALL BE HELD AT SUCH TIMES AND

1 PLACES AS THE SUPERINTENDENT SHALL FROM TIME TO TIME DETERMINE. EVERY  
2 INDIVIDUAL APPLYING TO TAKE ANY WRITTEN EXAMINATION SHALL, AT THE TIME  
3 OF APPLYING THEREFOR, PAY TO THE SUPERINTENDENT OR, AT THE DISCRETION OF  
4 THE SUPERINTENDENT, DIRECTLY TO ANY ORGANIZATION THAT IS UNDER CONTRACT  
5 TO PROVIDE EXAMINATION SERVICES, AN EXAMINATION FEE OF AN AMOUNT THAT IS  
6 THE ACTUAL DOCUMENTED ADMINISTRATIVE COST OF CONDUCTING SAID QUALIFYING  
7 EXAMINATION AS CERTIFIED BY THE SUPERINTENDENT FROM TIME TO TIME. AN  
8 EXAMINATION FEE REPRESENTS AN ADMINISTRATIVE EXPENSE AND SHALL NOT BE  
9 REFUNDABLE. THE SUPERINTENDENT MAY ACCEPT, IN LIEU OF ANY SUCH EXAMINA-  
10 TION, THE RESULT OF ANY PREVIOUS WRITTEN EXAMINATION, GIVEN BY THE  
11 SUPERINTENDENT, WHICH IN THE SUPERINTENDENT'S JUDGMENT, IS EQUIVALENT TO  
12 THE EXAMINATION FOR WHICH IT IS SUBSTITUTED.

13 (F) EVERY INDIVIDUAL SEEKING TO QUALIFY TO OBTAIN A LICENSE UNDER  
14 SUBSECTION (B) OF THIS SECTION SHALL BE REQUIRED TO PASS THE TYPE OR  
15 TYPES OF EXAMINATION PRESCRIBED BY THE SUPERINTENDENT FOR WHICH THE  
16 LICENSE IS SOUGHT.

17 (G) NO SUCH WRITTEN EXAMINATION OR PRE-LICENSING EDUCATION SHALL BE  
18 REQUIRED OF ANY:

19 (1) APPLICANT WHO HAS PASSED THE WRITTEN EXAMINATION GIVEN BY THE  
20 SUPERINTENDENT FOR A TITLE INSURANCE AGENT'S LICENSE AND WAS LICENSED AS  
21 SUCH, OR OF ANY APPLICANT WHO WAS LICENSED AS A TITLE INSURANCE AGENT  
22 BUT DID NOT PASS SUCH AN EXAMINATION; PROVIDED THE APPLICANT APPLIES  
23 WITHIN TWO YEARS FOLLOWING THE DATE OF TERMINATION OF THE APPLICANT'S  
24 LICENSE;

25 (2) APPLICANT SEEKING TO OBTAIN A LICENSE AS A TITLE INSURANCE AGENT,  
26 WHEN SUCH APPLICANT IS A LICENSED ATTORNEY-AT-LAW IN THIS STATE PROVIDED  
27 SAID ATTORNEY IS IN GOOD STANDING WITH THE NEW YORK STATE OFFICE OF  
28 COURT ADMINISTRATION;

29 (3) INDIVIDUAL SEEKING TO BE NAMED A LICENSEE OR SUB-LICENSEE, WHO IS  
30 A NON-RESIDENT AND HAS BEEN A TITLE INSURANCE AGENT IN THE INDIVIDUAL'S  
31 HOME STATE FOR AT LEAST FIVE YEARS; PROVIDED, HOWEVER, THAT THE INDIVID-  
32 UAL'S HOME STATE GRANTS NON-RESIDENT LICENSES TO RESIDENTS OF THIS STATE  
33 ON THE SAME BASIS.

34 (H) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, NO COURSE OF  
35 STUDY OR WRITTEN EXAMINATION SHALL BE REQUIRED WITH RESPECT TO ANY  
36 APPLICANT WHO FILES AN APPLICATION UNDER THIS SECTION WITHIN ONE YEAR  
37 AFTER THE EFFECTIVE DATE OF THIS ARTICLE AND WHO DEMONSTRATES TO THE  
38 SATISFACTION OF THE SUPERINTENDENT THAT SUCH PROSPECTIVE LICENSEE OR ITS  
39 PROSPECTIVE SUB-LICENSEE HAS REGULARLY AND CONTINUOUSLY PERFORMED THE  
40 FUNCTIONS OF A TITLE INSURANCE AGENT IN THIS STATE FOR A PERIOD OF AT  
41 LEAST FIVE YEARS IMMEDIATELY PRECEDING THE FILING OF SUCH APPLICATION.

42 (I) THE SUPERINTENDENT MAY REFUSE TO ISSUE TO AN APPLICATION A TITLE  
43 INSURANCE AGENT'S LICENSE IF, IN THE SUPERINTENDENT'S JUDGMENT, THE  
44 PROPOSED LICENSEE OR ANY SUB-LICENSEE: IS NOT TRUSTWORTHY AND COMPETENT  
45 TO ACT AS SUCH AGENT; HAS GIVEN CAUSE FOR THE REVOCATION OR SUSPENSION  
46 OF SUCH A LICENSE; OR HAS FAILED TO COMPLY WITH ANY PREREQUISITE FOR THE  
47 ISSUANCE OF SUCH LICENSE.

48 (J) (1) EVERY LICENSE ISSUED TO A BUSINESS ENTITY PURSUANT TO  
49 SUBSECTION (A) OF THIS SECTION SHALL EXPIRE ON JUNE THIRTIETH OF  
50 ODD-NUMBERED YEARS.

51 (2) EVERY LICENSE ISSUED TO AN INDIVIDUAL BORN IN AN ODD-NUMBERED YEAR  
52 SHALL EXPIRE ON THE INDIVIDUAL'S BIRTHDAY IN EACH ODD-NUMBERED YEAR.  
53 LICENSES ISSUED TO INDIVIDUALS BORN IN EVEN-NUMBERED YEARS SHALL EXPIRE  
54 ON THE INDIVIDUAL'S BIRTHDAY IN EACH EVEN-NUMBERED YEAR. EVERY SUCH  
55 LICENSE MAY BE RENEWED FOR THE ENSUING PERIOD OF TWENTY-FOUR MONTHS UPON  
56 THE FILING OF AN APPLICATION IN CONFORMITY WITH THIS SUBSECTION.



(3) THE LICENSE MAY BE ISSUED FOR ALL OF SUCH TWO YEAR TERMS, OR UPON APPLICATION MADE DURING ANY SUCH TERM, FOR THE BALANCE THEREOF.

(4) ANY LICENSE SHALL BE CONSIDERED IN GOOD STANDING WITHIN THE LICENSE TERM UNLESS:

(A) REVOKED OR SUSPENDED BY THE SUPERINTENDENT PURSUANT TO THIS ARTICLE; OR

(B) IF AT THE EXPIRATION DATE OF THE LICENSE TERM, THE LICENSEE FAILS TO FILE A RENEWAL APPLICATION, PROVIDED THE LICENSE WAS IN GOOD STANDING DURING THE TERM.

(5) BEFORE THE RENEWAL OF ANY TITLE INSURANCE AGENT'S LICENSE SHALL BE ISSUED, THE LICENSEE SHALL HAVE:

(A) FILED A COMPLETED RENEWAL APPLICATION IN SUCH FORM OR FORMS, AND SUPPLEMENTS THERETO, AND CONTAINING SUCH INFORMATION AS THE SUPERINTENDENT MAY PRESCRIBE;

(B) SUBMITTED EVIDENCE OF COMPLIANCE WITH CONTINUING EDUCATION REQUIREMENT PURSUANT TO SECTION TWO THOUSAND ONE HUNDRED FORTY OF THIS ARTICLE.

(C) PAID SUCH FEES AS ARE PRESCRIBED IN THIS SECTION.

(6) IF AN APPLICATION FOR A RENEWAL LICENSE SHALL HAVE BEEN FILED WITH THE SUPERINTENDENT BEFORE THE EXPIRATION OF SUCH LICENSE, THEN THE LICENSE SOUGHT TO BE RENEWED SHALL CONTINUE IN FULL FORCE AND EFFECT EITHER UNTIL THE ISSUANCE BY THE SUPERINTENDENT OF THE RENEWAL LICENSE APPLIED FOR OR UNTIL FIVE DAYS AFTER THE SUPERINTENDENT SHALL HAVE REFUSED TO ISSUE SUCH RENEWAL LICENSE AND SHALL HAVE GIVEN NOTICE OF SUCH REFUSAL TO THE APPLICANT AND TO EACH PROPOSED SUB-LICENSEE. BEFORE REFUSING TO RENEW ANY SUCH LICENSE, EXCEPT ON THE GROUND OF FAILURE TO PASS A WRITTEN EXAMINATION, THE SUPERINTENDENT SHALL NOTIFY THE APPLICANT OF THE SUPERINTENDENT'S INTENTION TO DO SO AND SHALL GIVE THE APPLICANT A HEARING.

(7) THE SUPERINTENDENT MAY, IN ISSUING A RENEWAL LICENSE, DISPENSE WITH THE REQUIREMENTS OF A VERIFIED APPLICATION BY ANY INDIVIDUAL LICENSEE OR SUB-LICENSEE WHO, BY REASON OF BEING ENGAGED IN ANY MILITARY SERVICE FOR THE UNITED STATES, IS UNABLE TO MAKE PERSONAL APPLICATION FOR SUCH RENEWAL LICENSE, UPON THE FILING OF AN APPLICATION ON BEHALF OF SUCH INDIVIDUAL, IN SUCH FORM AS THE SUPERINTENDENT SHALL PRESCRIBE, BY SOME PERSON OR PERSONS WHO IN HIS JUDGMENT HAVE KNOWLEDGE OF THE FACTS AND WHO MAKE AFFIDAVIT SHOWING SUCH MILITARY SERVICE AND THE INABILITY OF SUCH TITLE INSURANCE AGENT TO MAKE A PERSONAL APPLICATION.

(8) AN INDIVIDUAL LICENSEE OR SUB-LICENSEE WHO IS UNABLE TO COMPLY WITH LICENSE RENEWAL PROCEDURES DUE TO OTHER EXTENUATING CIRCUMSTANCES, SUCH AS A LONG-TERM MEDICAL DISABILITY, MAY REQUEST A WAIVER OF SUCH PROCEDURES, IN SUCH FORM AS THE SUPERINTENDENT SHALL PRESCRIBE. THE LICENSEE OR SUB-LICENSEE MAY ALSO REQUEST A WAIVER OF ANY EXAMINATION REQUIREMENT OR ANY OTHER FINE OR SANCTION IMPOSED FOR FAILURE TO COMPLY WITH RENEWAL PROCEDURES.

(9) AN APPLICATION FOR THE RENEWAL OF A LICENSE SHALL BE FILED WITH THE SUPERINTENDENT NOT LESS THAN SIXTY DAYS PRIOR TO THE DATE THE LICENSE EXPIRES OR THE APPLICANT SHALL BE SUBJECT TO A FURTHER FEE OF TEN DOLLARS FOR LATE FILING.

(10) NO LICENSE FEE SHALL BE REQUIRED OF ANY PERSON WHO SERVED AS A MEMBER OF THE ARMED FORCES OF THE UNITED STATES AT ANY TIME, AND WHO SHALL HAVE BEEN DISCHARGED THEREFROM UNDER CONDITIONS OTHER THAN DISHONORABLE, IN A CURRENT LICENSING PERIOD FOR THE DURATION OF SUCH PERIOD.

(11) EXCEPT WHERE A CORPORATION, ASSOCIATION OR FIRM LICENSED AS A TITLE INSURANCE AGENT IS APPLYING TO ADD A SUB-LICENSEE, OR THE DATE OF

1 THE EXPIRATION OF THE LICENSE IS CHANGED, THERE SHALL BE NO FEE REQUIRED  
2 FOR THE ISSUANCE OF AN AMENDED LICENSE.

3 (12) THE SUPERINTENDENT MAY ISSUE A REPLACEMENT LICENSE FOR A CURRENT-  
4 LY IN-FORCE LICENSE THAT HAS BEEN LOST OR DESTROYED. BEFORE SUCH  
5 REPLACEMENT LICENSE SHALL BE ISSUED, THERE SHALL BE ON FILE IN THE  
6 OFFICE OF THE SUPERINTENDENT A WRITTEN APPLICATION FOR SUCH REPLACEMENT  
7 LICENSE, AFFIRMING UNDER PENALTY OF PERJURY THAT THE ORIGINAL LICENSE  
8 HAS BEEN LOST OR DESTROYED, TOGETHER WITH A FEE OF FIFTEEN DOLLARS.

9 (K) THE SUPERINTENDENT MAY REFUSE TO ISSUE A LICENSE OR RENEWAL  
10 LICENSE, AS THE CASE MAY BE, TO ANY APPLICANT IF THE SUPERINTENDENT  
11 FINDS THAT SUCH APPLICANT HAS BEEN OR WILL BE, AS AFORESAID, RECEIVING  
12 ANY BENEFIT OR ADVANTAGE IN VIOLATION OF SECTION SIX THOUSAND FOUR  
13 HUNDRED NINE OF THIS CHAPTER, OR IF THE SUPERINTENDENT FINDS THAT MORE  
14 THAN TEN PERCENT OF THE AGGREGATE NET COMMISSIONS RECEIVED DURING THE  
15 TERM OF THE EXISTING LICENSE, IF ANY, OR TO BE RECEIVED DURING THE TERM  
16 OF THE LICENSE APPLIED FOR, BY THE APPLICANT, RESULTED OR WILL RESULT  
17 FROM INSURANCE ON THE PROPERTY AND RISKS SET FORTH IN SUBPARAGRAPHS (A),  
18 (B) AND (C) OF PARAGRAPH ONE OF SUBSECTION (I) OF SECTION TWO THOUSAND  
19 ONE HUNDRED THREE OF THIS ARTICLE.

20 (L) ALL LICENSED TITLE INSURANCE AGENTS SHALL BE ENTITLED TO THE DUE  
21 PROCESS PROVISIONS AS PROVIDED BY THE STATE ADMINISTRATIVE PROCEDURE  
22 ACT.

23 S 18. The insurance law is amended by adding a new section 2140 to  
24 read as follows:

25 S 2140. CONTINUING EDUCATION FOR TITLE INSURANCE AGENTS. (A) THIS  
26 SECTION SHALL APPLY TO TITLE INSURANCE AGENTS LICENSED PURSUANT TO THIS  
27 ARTICLE WHO ARE NATURAL PERSONS AND TO INDIVIDUALS DESIGNATED AS A SUB-  
28 LICENSEE TO FULFILL THE CONTINUING EDUCATION REQUIREMENTS FOR AN ENTITY  
29 LICENSED UNDER THIS ARTICLE.

30 (B) THE FOLLOWING INDIVIDUALS SHALL BE EXEMPT FROM THESE REQUIREMENTS:

31 (1) AN ATTORNEY LICENSED TO PRACTICE LAW IN THIS STATE PROVIDED SAID  
32 ATTORNEY IS IN GOOD STANDING WITH THE OFFICE OF COURT ADMINISTRATION;

33 (2) ANY LICENSEES AS THE SUPERINTENDENT MAY EXEMPT SUBJECT TO ANY  
34 CONTINUING EDUCATION REQUIREMENTS DEEMED APPROPRIATE BY THE SUPERINTEN-  
35 DENT.

36 (C) PERSONS LICENSED PURSUANT TO THIS ARTICLE AND NOT EXEMPT UNDER  
37 THIS ARTICLE, SHALL BIENNIALY SATISFACTORILY COMPLETE SUCH COURSES OR  
38 PROGRAMS OF INSTRUCTION AS MAY BE APPROVED BY THE SUPERINTENDENT, AS  
39 FOLLOWS:

40 (1) ANY PERSON HOLDING A LICENSE ISSUED PURSUANT TO THIS ARTICLE AND  
41 NOT EXEMPT UNDER SUBSECTION (B) OF THIS SECTION SHALL, DURING EACH FULL  
42 BIENNIAL LICENSING PERIOD, SATISFACTORILY COMPLETE COURSES OR PROGRAMS  
43 OF INSTRUCTION OR ATTEND SEMINARS AS MAY BE APPROVED BY THE SUPERINTEN-  
44 DENT EQUIVALENT TO FIFTEEN CREDIT HOURS OF INSTRUCTION.

45 (2) EXCESS CREDIT HOURS ACCUMULATED DURING ANY BIENNIAL LICENSING  
46 PERIOD SHALL NOT CARRY FORWARD TO THE NEXT BIENNIAL LICENSING PERIOD.

47 (D)(1) THE COURSES OR PROGRAMS OF INSTRUCTION SUCCESSFULLY COMPLETED,  
48 WHICH SHALL BE DEEMED TO MEET THE SUPERINTENDENT'S STANDARDS FOR CONTIN-  
49 UING EDUCATION REQUIREMENTS, SHALL BE COURSES, PROGRAMS OF INSTRUCTION  
50 OR SEMINARS, APPROVED AS TO METHOD AND CONTENT BY THE SUPERINTENDENT,  
51 RELATED TO TITLE INSURANCE, AND GIVEN BY A DEGREE CONFERRING COLLEGE OR  
52 UNIVERSITY WHOSE CURRICULUM IS REGISTERED WITH THE STATE EDUCATION  
53 DEPARTMENT AT THE TIME THE PERSON TAKES THE COURSE, WHETHER SUCH COURSE  
54 BE GIVEN AS PART OF SUCH CURRICULUM OR SEPARATELY, OR BY ANY OTHER  
55 INSTITUTION, AGENTS' ASSOCIATION, TRADE ASSOCIATION, BAR ASSOCIATION OR  
56 TITLE INSURANCE CORPORATION, WHICH MAINTAINS EQUIVALENT STANDARDS OF

1 INSTRUCTION AND WHICH SHALL HAVE BEEN APPROVED FOR SUCH PURPOSE BY THE  
2 SUPERINTENDENT.

3 (2) THE NUMBER OF CREDIT HOURS ASSIGNED TO EACH OF THE COURSES OR  
4 PROGRAMS OF INSTRUCTION SET FORTH IN PARAGRAPH ONE OF THIS SUBSECTION  
5 SHALL BE DETERMINED BY THE SUPERINTENDENT.

6 (E) A PERSON WHO TEACHES ANY APPROVED COURSE OF INSTRUCTION OR WHO  
7 LECTURES AT ANY APPROVED SEMINAR, AND WHO IS SUBJECT TO THIS SECTION,  
8 SHALL BE GRANTED THREE CREDIT HOURS FOR EACH FIFTY MINUTES OF PRESENTA-  
9 TION AND ONE CREDIT FOR EACH FIFTY MINUTES OF REPEAT PRESENTATIONS  
10 DURING ANY BIENNIAL LICENSING PERIOD.

11 (F) EVERY PERSON SUBJECT TO THIS SECTION SHALL FURNISH, IN A FORM  
12 SATISFACTORY TO THE SUPERINTENDENT, CERTIFICATION ATTESTING TO THE  
13 COURSE OR PROGRAMS OF INSTRUCTION TAKEN AND SUCCESSFULLY COMPLETED BY  
14 SUCH PERSON PURSUANT TO SUBSECTION (D) OF THIS SECTION.

15 (G) (1) ANY PERSON FAILING TO MEET THE REQUIREMENTS IMPOSED BY THIS  
16 SECTION SHALL NOT BE ELIGIBLE TO RENEW THE LICENSE.

17 (2) ANY PERSON WHOSE LICENSE WAS NOT RENEWED SHALL NOT BE ELIGIBLE TO  
18 BECOME RELICENSED DURING THE NEXT BIENNIAL LICENSING PERIOD UNTIL THAT  
19 PERSON HAS DEMONSTRATED TO THE SATISFACTION OF THE SUPERINTENDENT THAT  
20 CONTINUING EDUCATION REQUIREMENTS FOR THE LAST BIENNIAL LICENSING PERIOD  
21 WERE MET.

22 (3) ANY PERSON WHOSE LICENSE WAS NOT RENEWED PURSUANT TO PARAGRAPH ONE  
23 OF THIS SUBSECTION, WHO ACCUMULATES SUFFICIENT CREDIT HOURS FOR THE  
24 PRIOR LICENSING PERIOD TO QUALIFY FOR RELICENSING IN THE BIENNIAL PERIOD  
25 FOLLOWING SUCH NON-RENEWAL, MAY NOT APPLY THOSE SAME CREDIT HOURS TOWARD  
26 THE CONTINUING EDUCATION REQUIREMENTS FOR THE CURRENT BIENNIAL LICENSING  
27 PERIOD.

28 (H)(1) ANY ENTITY ELIGIBLE TO PROVIDE COURSES, PROGRAMS OF INSTRU-  
29 TION, OR SEMINARS IN ACCORDANCE WITH SUBSECTION (D) OF THIS SECTION,  
30 MUST FILE FOR APPROVAL BY THE SUPERINTENDENT ON A BIENNIAL BASIS, TO  
31 CONFORM WITH ITS AREA OF INSTRUCTION, A PROVIDER ORGANIZATION APPLICA-  
32 TION AND A COURSE SUBMISSION APPLICATION FOR EACH COURSE, PROGRAM AND  
33 SEMINAR, AND COURSES MAY BE ADDED ON APPROVAL BY THE SUPERINTENDENT  
34 DURING THE PERIOD ON NOTIFICATION TO THE SUPERINTENDENT AND PAYMENT OF  
35 THE APPROPRIATE FILING FEE.

36 (2) THE PROVIDER ORGANIZATION APPLICATION SHALL INCLUDE THE NAMES OF  
37 ALL INSTRUCTORS TO BE USED DURING THE CONTRACT PERIOD, AND INSTRUCTORS  
38 MAY BE ADDED DURING THE PERIOD BY NOTIFYING THE SUPERINTENDENT AND  
39 PAYING THE APPROPRIATE FILING FEE.

40 (3) THE COMPLETED APPLICATIONS SHALL BE RETURNED IN A TIMELY MANNER,  
41 AS SPECIFIED BY THE SUPERINTENDENT, WITH A NON-REFUNDABLE FILING FEE OF  
42 TWO HUNDRED DOLLARS PER ORGANIZATION, FIFTY DOLLARS PER COURSE, PROGRAM  
43 AND SEMINAR, AND FIFTY DOLLARS PER INSTRUCTOR.

44 (4) APPROVAL OF THE APPLICATION SHALL BE AT THE DISCRETION OF THE  
45 SUPERINTENDENT.

46 (I) EACH LICENSEE SHALL PAY A BIENNIAL FEE OF TEN DOLLARS PER LICENSE,  
47 FOR CONTINUING EDUCATION CERTIFICATE FILING AND RECORDING CHARGES, TO  
48 THE SUPERINTENDENT OR, AT THE DISCRETION OF THE SUPERINTENDENT, DIRECTLY  
49 TO AN ORGANIZATION UNDER CONTRACT TO PROVIDE CONTINUING EDUCATION ADMIN-  
50 ISTRAIVE SERVICES.

51 S 19. Section 2314 of the insurance law is amended to read as follows:

52 S 2314. Charging of rates. No authorized insurer [shall, and], no  
53 licensed insurance agent, NO TITLE INSURANCE AGENT, no employee or other  
54 representative of an authorized insurer, and no licensed insurance  
55 broker shall knowingly, charge or demand a rate or receive a premium  
56 which departs from the rates, rating plans, classifications, schedules,

1 rules and standards in effect on behalf of the insurer, or shall issue  
2 or make any policy or contract involving a violation thereof.

3 S 20. Subsection (e) of section 2324 of the insurance law is amended  
4 to read as follows:

5 (e) This section shall not apply to any policy or contract of reinsur-  
6 ance nor to any contract or policy of life insurance, accident insurance  
7 or health insurance which is subject to the provisions of section four  
8 thousand two hundred twenty-four of this chapter, NOR TO ANY CONTRACT OR  
9 POLICY OF TITLE INSURANCE, nor to any contract or policy of marine  
10 insurance, other than contracts or policies of automobile insurance, or  
11 of marine protection and indemnity insurance, nor to any insurance  
12 contract, or rate of insurance in connection with any insurance contract  
13 either against loss or damage to, or legal liability in connection with,  
14 any property located wholly outside of this state or any activity  
15 carried on outside of this state or any motor vehicle or aircraft prin-  
16 cipally garaged and used outside of this state.

17 S 21. Subsection (d) of section 6409 of the insurance law is amended  
18 to read as follows:

19 (d) No title insurance corporation OR TITLE INSURANCE AGENT, or any  
20 other person acting for or on behalf of it, shall make any rebate of any  
21 portion of the fee, premium or charge made, or pay or give to any appli-  
22 cant for insurance, or to any person, firm, or corporation acting as  
23 agent, representative, attorney, or employee of the owner, lessee, mort-  
24 gagee or the prospective owner, lessee, or mortgagee of the real proper-  
25 ty or any interest therein, either directly or indirectly, any commis-  
26 sion, any part of its fees or charges, or any other consideration or  
27 valuable thing, as an inducement for, or as compensation for, any title  
28 insurance business. Any person or entity who accepts or receives such a  
29 commission or rebate shall be subject to a penalty equal to the greater  
30 of [one] FIVE thousand dollars or five times the amount [thereof] OF THE  
31 REBATE, AND ANY PERSON OR ENTITY WHO OTHERWISE VIOLATES THIS SUB-SECTION  
32 SHALL BE SUBJECT TO A PENALTY EQUAL TO THE GREATER OF FIVE THOUSAND  
33 DOLLARS OR THE AMOUNT OF THE TITLE INSURANCE PREMIUM EARNED ON THE TRAN-  
34 SACTION ON WHICH THE VIOLATION OCCURRED, EXCEPT, AS TO A TITLE INSURANCE  
35 AGENT, SUCH SUM SHALL NOT INCLUDE THAT PORTION OF THE PREMIUM PAID OR  
36 PAYABLE TO THE TITLE INSURANCE CORPORATION.

37 S 22. Subsection (a) of section 107 of the insurance law is amended by  
38 adding a new paragraph 54 to read as follows:

39 (54) "TITLE INSURANCE AGENT" SHALL HAVE THE MEANING ASCRIBED TO IT BY  
40 PARAGRAPH ONE OF SUBSECTION (Y) OF SECTION TWO THOUSAND ONE HUNDRED ONE  
41 OF THIS CHAPTER.

42 S 23. This act shall take effect on the one hundred eightieth day  
43 after it shall have become a law, provided, however, that effective  
44 immediately:

45 (1) the addition, amendment and/or repeal of any rule or regulation  
46 necessary for the implementation of this act on its effective date are  
47 authorized and directed to be made and completed on or before such  
48 effective date;

49 (2) the superintendent of financial services shall promulgate applica-  
50 tion forms for persons, firms and corporations seeking to obtain a  
51 license as a title insurance agent; and

52 (3) each person, firm or corporation who has filed an application for  
53 a license as a title insurance agent on or before January 1, 2014 or  
54 within 90 days after the superintendent of financial services has  
55 promulgated application forms pursuant to this act, whichever date is  
56 later, may act as such licensee without a license issued pursuant to

1 sections 2138, 2139, or 2140 of the insurance law until the superinten-  
2 dent of financial services has made a final determination on the appli-  
3 cation for such license filed by such person, firm or corporation.