STATE OF NEW YORK

38

2021-2022 Regular Sessions

IN SENATE

(Prefiled)

January 6, 2021

Introduced by Sen. HOYLMAN -- read twice and ordered printed, and when printed to be committed to the Committee on Insurance

AN ACT in relation to establishing a temporary task force to examine and make recommendations upon the establishment of a public title insurance carrier; and to provide for the repeal of such provisions upon the expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. There is hereby established, within the department of financial services, a temporary task force to examine and make recommendations upon the establishment of a public title insurance carrier ("the task force"). The task force shall consist of nine members who shall be appointed as follows:

a. the superintendent of the department of financial services or his or her designee;

b. four members to be appointed by the governor;

c. two members to be appointed by the temporary president of the senate; and

d. two members to be appointed by the speaker of the assembly.

§ 2. No member of the task force shall be a current or former employee of the title insurance industry.

§ 3. Task force members shall receive no compensation for their services but shall be reimbursed for actual and necessary expenses incurred in the performance of their duties.

§ 4. The chairperson of the task force shall be the superintendent of the department of financial services or his or her designee. The task force shall meet at the call of the chairperson.

§ 5. Any vacancies on the task force shall be filled in the manner provided for in the initial appointment.

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

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§ 6. The task force shall be authorized to hold public hearings and meetings to enable it to accomplish its duties.

§ 7. The task force shall consult with relevant stakeholders, including the title insurance industry, consumer advocacy groups, the real estate industry, and any other organization, educational institution, government entity or agency or person the task force deems necessary in the development of its report required by subdivision ten of this section.

§ 8. The department of financial services shall provide the task force with such facilities, assistance and data as will enable the task force to carry out its powers and duties. Additionally, all other agencies of the state or subdivisions thereof may, at the request of the chairperson, provide the task force with such facilities, assistance and data as will enable the task force to carry out its powers and duties.

§ 9. The purpose of the task force shall be to examine and make recommendations on issues including but not limited to:

a. the establishment of a public title insurance carrier, including but not limited to:

i. the structure and administration of public title insurance carriers in other jurisdictions, including Iowa;

ii. the impact the establishment of a public title insurance carrier would have on lenders and consumers, including the impact on title insurance premium rates;

iii. the impact the establishment of a public title insurance carrier would have on the current title insurance industry in the state;

iv. whether such public title insurance carrier should offer coverage for residential real estate, commercial real estate, or both;

v. the cost to the state of establishing such a public title insurance carrier; and

vi. whether such public title insurance carrier should be the only title insurance carrier authorized to do business in the state;

b. an analysis of the title insurance industry in New York State, including but not limited to:

i. current laws and regulations within this state addressing the title insurance industry;

ii. an analysis of title insurance premium rates in the state; and

iii. an analysis of the claim rates of title insurance policies in the state.

§ 10. No later than one year after the effective date of this section, the task force shall transmit to the governor, the temporary president of the senate and the speaker of the assembly a report on its findings, including any recommendations for legislation or regulations.

§ 11. This act shall take effect immediately and shall expire and be deemed repealed sixty days after transmission of the report of the findings of the task force to the governor, the temporary president of the senate and the speaker of the assembly, as provided in section ten of this act. Provided, however, that the commissioner of the department of financial services shall notify the legislative bill drafting commission upon the transmission of the report of the findings of the task force, as provided in section ten of this act, in order that the commission may maintain an accurate and timely effective data base of the official text of the laws of the state of New York in furtherance of effectuating the provisions of section 44 of the legislative law and section 70-b of the public officers law.