§ 2113. Title insurance agent commissions; disclosure. (a) No insurer doing business in this state, and no agent or other representative thereof, shall pay any commission or other compensation to any person, firm, association or corporation for acting as a title insurance agent in this state, except to a licensed title insurance agent.

(b) At the time of the application, a title insurance agent shall provide to every applicant for insurance, a written good faith estimate of the premium on the policy or policies to be issued and a breakdown of the amount of all fees and service costs, including all filing fees, recording charges, and closing costs, and any other ancillary or discretionary charges to be incurred, and the amount of any commission or other compensation to be paid to such agent by the title insurance corporation. If no title insurance agent is utilized, the title insurer shall provide the disclosures. If the applicant is represented by an attorney, the written good faith estimate shall be provided to the attorney.

(c) Nothing in this chapter shall be deemed to or be construed in a manner to authorize or permit any activity or practice, with respect to the business of title insurance, that is prohibited by section four hundred eighty-four or four hundred ninety-five of the judiciary law, or otherwise prohibited by law, including the unauthorized practice of law.

(d) Except as provided in subsection (f) of this section, no person or entity who acts as an agent, representative, attorney, or employee of the owner, lessee, or mortgagee, or of the prospective owner, lessee, or mortgagee of the real property or any interest therein and who or whose spouse also is a member, employee, or director of a title insurance agent, owns any interest in a title insurance agent, or is a subsidiary or affiliate of any title insurance agent, shall refer an applicant for insurance to such agent, and no such title insurance agent shall accept any such referral of title insurance business, unless the referral is made in accordance with section six thousand four hundred nine of this chapter and such person or entity, at the time of making a referral, provides, at a minimum, the following written disclosure to the applicant:

(1) the nature of the relationship between the person or entity and the title insurance agent;

(2) that the applicant is not required to use the services of the

title insurance agent or the title insurance corporation to which the applicant is being referred;

(3) that any money or other thing of value directly or indirectly paid by the title insurance agent or title insurance corporation to the person or entity is based on the person or entity's financial interest in the title insurance agent, and is not related to the amount of title insurance business the person or entity refers to the title insurance agent;

(4) that the person or entity is not required to refer a specified amount of title insurance business to the title insurance agency;

(5) the amount or value of any compensation or other thing of value that the person or entity expects to receive in connection with the services to be provided by the title insurance agent or the title insurance corporation to which the party is being referred; and

(6) any relevant disclosures required by the federal real estate settlement procedures act of 1974, as amended.

(e) For the purposes of this chapter, an attorney or his or her law firm may represent a client in a matter and may also act as a title insurance agent in such matter subject to applicable law.

(f) Where a licensed attorney represents an applicant in a real estate transaction and the applicant also retains the attorney as the title insurance agent, the attorney shall not be required to make the written disclosure required by subsection (d) of this section provided the attorney advises the client that the client is not required to use the attorney as the title insurance agent.

(g) As used in this section, "applicant" means the person, firm, limited liability company or corporation for whom the purchase of the property that is the subject of the title insurance policy is financed or to whom a mortgage loan is made or who owns the property, or to a person who is an attorney-in-fact for such person.

(h) The superintendent shall promulgate regulations to enforce the disclosure requirements of subdivision (d) of this section and in doing so shall consider the relevant standards of the federal real estate settlement procedures act of 1974, as amended.