

Support SB 1062 and HB 3228: Give Consumers Standing in Title
Insurance Rate-Setting Hearings



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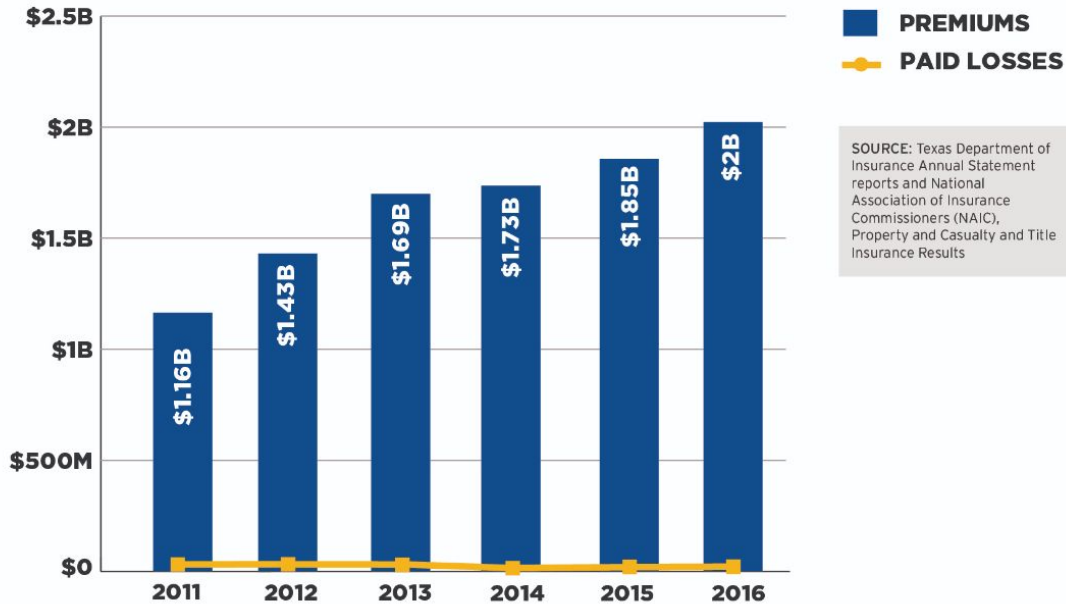
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Title Insurance Prices in Texas Are Too High

Texas has among the highest rates of title insurance rates in the nation. Between 2011 and 2016, **title insurance premiums increased 74 percent**—jumping from \$1.164 billion to \$2.023 billion—while simultaneously, **paid losses decreased** from \$30.5 million to \$20.5 million. With premiums continuing to skyrocket and paid losses decreasing, it's obvious why title insurance companies do not want consumers involved in the process.

TITLE INSURANCE PREMIUMS AND PAID LOSSES



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Title Insurance Companies Can Ask for Higher Rates, while Consumers Prevented from Asking for Lower Rates

In Texas, consumers do not have a voice in the title insurance rate-setting process. Texas sets a single rate for title insurance in a hearing held by the Texas Department of Insurance every five years, unless set more frequently by the Insurance Commissioner or requested by the title insurance industry. The current law excludes individual members of the public, offering them no standing to appear as a party and provide evidence at a hearing. Currently, only title insurance companies, agents, associations, and government regulators have input in the rate-setting hearings. Consumers were removed from the statute several years ago, a result of language hidden in a larger bill about title insurance.

As a result of that change, home buyers, realtors, home builders, bankers and anyone not in the title insurance industry had their rights to participate in the process stripped away.

Thankfully, Senator Kelly Hancock (R) and Representative Sergio Muñoz (D) have filed legislation to once again give consumers a voice in title insurance rate-setting hearings.

Supporting Consumer Standing: SB 1062 and HB 3228

Senate Bill 1062 and House Bill 3228 were recently filed by Senator Hancock and Representative Muñoz, respectively. Both bills will give consumers the right to participate in title insurance rate hearings by providing standing to the public to appear, offer evidence at hearings, and to request a rate hearing be held to consider a rate change more frequently than five years.

These bills will help ensure that consumers can more effectively participate in title insurance rate-setting hearings. We applaud Senator Hancock and Representative Muñoz for championing this issue and look forward to continued progress as we work to make sure citizens have a voice in the process and a seat at the table.

