

## House Bill No. 314

AN ACT concerning

**Title Insurance Agents – Licensing Requirements – Bonds or Letters of Credit**

FOR the purpose of altering certain bond or letter of credit requirements that a title insurance agent shall satisfy before the Insurance Commissioner issues a certificate of qualification to the agent; increasing the amount of a certain bond or letter of credit that a certain title insurance agent shall file with the Commissioner; providing for the application of this Act; and generally relating to the bond or letter of credit requirements for a title insurance agent.

BY repealing and reenacting, with amendments,

Article 48A – Insurance Code

Section 168A(d)

Annotated Code of Maryland

(1991 Replacement Volume and 1993 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

**Article 48A – Insurance Code**

168A.

(d) (1) In addition to meeting the requirements for obtaining a certificate of qualification under § 168(b) of this article, a title insurance agent who has an appointment from a title insurance insurer shall file with the Commissioner:

(i) [A fidelity bond;

(ii)] A surety bond; or

[(iii)](II) A letter of credit.

(2) The bond or letter of credit shall be in the amount of ~~\$100,000~~ \$200,000 unless the Commissioner approves a lesser amount.

(3) The Commissioner shall adopt regulations specifying when a bond or letter of credit less than ~~\$100,000~~ \$200,000 is appropriate.

(4) Notwithstanding paragraph (2) of this subsection, the Commissioner may waive the requirement for a bond or letter of credit if the Commissioner finds that the bonds are not generally available or reasonably affordable.

(5) The Commissioner shall make a specific finding that states the reason for accepting a bond or letter of credit in an amount less than ~~\$100,000~~ \$200,000.

SECTION 2. AND BE IT FURTHER ENACTED, That each title insurance agent possessing a certificate of qualification before the effective date of this Act shall satisfy the requirements of this Act at the next renewal of their certificate of qualification.