

Public Stakeholder Meeting and Request for Comments on TLTA Informal Proposal

Posting date: December 2, 2022
Meeting: December 16, 2022
Comments due: January 4, 2023

The Texas Land Title Association (TLTA) has informally submitted a rule package to amend the Basic Manual of Rules, Rates and Forms for the Writing of Title Insurance in the State of Texas (Basic Manual). TLTA's package would amend various rate rules, forms, and procedural rules. It would also introduce a new series of endorsements and a corresponding procedural rule and rate rules.

TDI is also considering possible updates to various forms, an escrow accounting control, and statistical codes.

TDI requests input on the TLTA rule package as well as the updates TDI is considering. TDI will hold an informal public stakeholder meeting on December 16, 2022, at 9:30 a.m. in the Barbara Jordan Building, 1601 Congress Ave., Room 2.042, Austin, TX 78701. TDI may hold additional meetings in 2023.

If you are unable to attend the meeting in person, you can attend and participate virtually at <https://tdi-texas.zoomgov.com/j/1606755598>.

TDI will also accept written comments.

TDI encourages input from members of the public and any other person who is interested.

TLTA items:

- Increase rates charged for three loan policy endorsements (Rate Rule R-11):
 - Assignment of mortgage endorsements
 - Down date endorsements
 - Loan modification endorsements.
- Increase the rate for owner's policy "down date endorsements" for nonresidential transactions (Rate Rule R-15).
- Increase the rate for access endorsements for nonresidential transactions (Rate Rule R-30).

- Revise the Residential Owner's Policy form (Form T-1R) to remove a parenthetical reference.
- Revise the loan policy aggregation endorsement (Form T-16).
- Revise four endorsement forms related to minerals and surface damage (Forms T-19, T-19.1, T-19.2, and T-19.3).
- Revise the Owner's Policy and Loan Policy forms (Forms T-1 and T-2) to clarify when a policy includes survey coverage.
- Revise the insured closing letter for lenders (Form T-50).
- Revise Procedural Rule P-20 (Standard Exception Relating to Taxes).
- Repeal the Severable Improvements Endorsement form (T-54) and replace it with six new endorsement forms. Also add a procedural rule and rate rule for the endorsements.
- Revise Procedural Rule P-57 (Additional Insured Endorsement).
- Expand the definition of "Residential Real Property" (Procedural Rule P-1(u)) and expand the application of the residential property rate for area and boundary coverage (Rate Rule R-16).
- Add a new Form T-47.1, an unsworn declaration that can be used instead of a survey affidavit (Form T-47). Also revise the survey affidavit (Form T-47).
- Delete a paragraph 2(b) of the Equity Loan Mortgage Endorsement (Form T-42).
- Revise Procedural Rule P-9 to allow endorsements to be added without a title company representative's signature.
- Revise the Future Advance/Revolving Credit Endorsement (Form T-35) and the corresponding procedural and rate rules (Procedural Rule P-9.b(8) and Rate Rule R-11.f) to limit the endorsement to revolving credit, not future advances.
- Remove notarization requirements on title licensing forms.
- Add a new minerals and surface damage endorsement for transactions involving severable improvements. Also add a procedural rule and rate rule for the endorsement.
- Revise the conditions for a "simultaneous issuance" rate in Rate Rule R-5.F, concerning certain transactions in which a Loan Policy is issued within 90 days after the Owner's Policy.

TDI items:

- Revise escrow accounting Internal Control No. 5 to allow electronic signature of escrow checks.
- Update the escrow account auditor opinion letter form (Form PC 150) to conform with current standards for auditor opinion letters.
- Update a series of statistical codes for refinance transactions.
- Correct a numbering error in the Policy of Title Insurance (USA) (Form T-11).

- Update TDI's address in Form PC 417 (Texas Title Insurance Agent's Minimum Capitalization Bond).
- Replace the notarization requirement with an unsworn declaration in certain licensing forms (Forms FINT 08, FINT 09, FINT 10, FINT 129, and FINT 143).

Copies of all the items are on the TDI [website](#).

TDI invites your input on the TLTA items and TDI items above.

The comment period for this informal posting will close at 5 p.m. Central time, on January 4, 2023. Submit written comments to Title@tdi.texas.gov. If you have questions, call David Muckerheide at 512-676-6710.

This is an informal posting intended to gather public comments and is not a formal publication for rulemaking.