

**Subchapter A. Basic Manual of Rules, Rates, and Forms for the Writing of Title
Insurance in the State of Texas
28 TAC §9.1**

INTRODUCTION. The Texas Department of Insurance (TDI) proposes to amend 28 TAC §9.1, concerning the title insurance basic manual of rules, rates, and forms.

EXPLANATION. Amending §9.1 is necessary because the commissioner has issued Commissioner Order No. 2025-9697 to change the title insurance basic premium rates. These rates are included in the *Basic Manual of Rules, Rates, and Forms for the Writing of Title Insurance in the State of Texas* (Basic Manual), which §9.1 adopts by reference. The Basic Manual contains all the substantive rules, rates, and regulations authorized by the Texas Title Insurance Act (Act).

The Act's purpose is to completely regulate the business of title insurance. This complete regulation includes what prices may be charged for title policies and endorsements, and what provisions are contained in those policies. Title insurers must charge the promulgated rates and use the promulgated policies.

The procedures contained in Insurance Code Chapter 2703 dictate how rates, forms, and other aspects of the title insurance business are changed. Insurance Code §2703.151 specifies that the commissioner fix and promulgate the premium rates to be charged by a title insurance company or by a title insurance agent for title insurance policies or for other forms prescribed or approved by the commissioner. For fixing rates, TDI is required to conduct a hearing where members of the public and individuals and groups who work in the industry may present evidence to the commissioner and make public comments.

The commissioner presided over a rate hearing under Insurance Code §2703.202(c) on December 12, 2025, where the Texas Land Title Association, the Office of the Public

Insurance Counsel, Texans for Free Enterprise, and TDI staff presented their positions, analyses, and rate calculations. Members of the public were also invited to comment. On December 19, 2025, the commissioner ordered a 6.2% reduction to the title insurance basic premium rates that will be effective on March 1, 2026.

The order--Order No. 2025-9697--included a rate table that will supplant a rate table in the most recent version of the Basic Manual on March 1st. The Basic Manual is adopted by reference by §9.1. The proposed amendment to §9.1 ensures that the public is aware of the new basic premium rates by incorporating the order's rate table into the Basic Manual.

Order No. 2025-9697 changes the title insurance basic premium rates and also describes the commissioner's reasoning and consideration of all materials presented at the hearing, including public comments. It can be viewed on TDI's website at www.tdi.texas.gov/orders/index.html.

FISCAL NOTE AND LOCAL EMPLOYMENT IMPACT STATEMENT. Nicole Elliott, director and chief actuary of the Property and Casualty Division's Property and Casualty Actuarial Office, has determined that during each year of the first five years the section as proposed is in effect, there will be no measurable fiscal impact on state and local governments as a result of enforcing or administering it, other than that imposed by statute. Ms. Elliott made this determination because the section as proposed does not add to or decrease state revenues or expenditures, and because local governments are not involved in enforcing or complying with the section.

Ms. Elliott does not anticipate any measurable effect on local employment or the local economy as a result of this proposal.

PUBLIC BENEFIT AND COST NOTE. For each year of the first five years the section as proposed is in effect, Ms. Elliott expects that administering it will have the public benefit of reducing closing costs for real estate transactions and ensuring that TDI's rules conform to Insurance Code Chapter 2703.

Ms. Elliott expects that the section as proposed will not increase the cost of compliance because this rule only updates the adoption-by-reference language in §9.1. The promulgated rate has already been changed by the commissioner's order and will take effect on March 1, 2026.

ECONOMIC IMPACT STATEMENT AND REGULATORY FLEXIBILITY ANALYSIS. TDI has determined that the section as proposed will not have an adverse economic effect on small or micro businesses, or on rural communities. This rule proposal updates the adoption-by-reference language in §9.1. The rate reduction will occur because of the commissioner's order.

EXAMINATION OF COSTS UNDER GOVERNMENT CODE §2001.0045. TDI has determined that this proposal does not impose a possible cost on regulated persons. Even if there were a cost, no additional rule amendments would be required under Government Code §2001.0045 because the amendments to the Basic Manual, adopted by reference in §9.1, are necessary to implement legislation. Insurance Code §2501.002 states that the purpose of the Texas Title Insurance Act is for TDI to completely regulate the business of title insurance, including setting the rates of all title insurance policies and endorsements sold. Given that legislative purpose, any changes to rates are necessary to implement the Act.

GOVERNMENT GROWTH IMPACT STATEMENT. TDI has determined that for each year of the first five years that the section as proposed is in effect, the proposed rule:

- will not create or eliminate a government program;
- will not require the creation of new employee positions or the elimination of existing employee positions;
- will not require an increase or decrease in future legislative appropriations to the agency;
- will not require an increase or decrease in fees paid to the agency;
- will not create a new regulation;
- will not expand, limit, or repeal an existing regulation;
- will not increase or decrease the number of individuals subject to the rule's applicability; and
- will not positively or adversely affect the economy.

TAKINGS IMPACT ASSESSMENT. TDI has determined that no private real property interests are affected by this proposal and that this proposal does not restrict or limit an owner's right to property that would otherwise exist in the absence of government action. As a result, this proposal does not constitute a taking or require a takings impact assessment under Government Code §2007.043.

REQUEST FOR PUBLIC COMMENT. TDI will consider any written comments on the proposal that are received by TDI no later than 5:00 p.m., central time, on March 16, 2026. However, the comment period for the commissioner's order that changed the rate ended on December 17, 2025, and comments about the rate itself and the evidence presented at the hearing are outside of the scope of this proposal. Send

your comments to ChiefClerk@tdi.texas.gov or to the Office of the Chief Clerk, MC: GC-CCO, Texas Department of Insurance, P.O. Box 12030, Austin, Texas 78711-2030.

To request a public hearing on the proposal, submit a request before the end of the comment period to ChiefClerk@tdi.texas.gov or to the Office of the Chief Clerk, MC: GC-CCO, Texas Department of Insurance, P.O. Box 12030, Austin, Texas 78711-2030. The request for public hearing must be separate from any comments and received by TDI no later than 5:00 p.m., central time, on March 16, 2026. If a public hearing is held, TDI will consider written and oral comments presented at the hearing.

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STATUTORY AUTHORITY. TDI proposes the amendment to §9.1 under Insurance Code §§2501.002, 2551.003, 2703.151, 2703.201, 2703.202(g), 2703.208, and 36.001.

Insurance Code §2501.002 provides that the purpose of Title 11 of the Insurance Code is to completely regulate the business of title insurance including the issuance of policies to protect consumers and purchasers of title insurance policies and to provide adequate and reasonable rates of return for title insurance companies and title insurance agents.

Insurance Code §2551.003 authorizes the commissioner to adopt and enforce rules that are necessary to accomplish the purposes of the Texas Title Insurance Act, Insurance Code Title 11.

Insurance Code §2703.151 requires the commissioner to fix and promulgate the premium rates to be charged by a title insurance company or by a title insurance agent for title insurance policies or for other forms prescribed or approved by the commissioner.

Insurance Code §2703.201 requires that the commissioner hold a hearing to fix premium rates.

Insurance Code §2703.202(g) requires that the commissioner issue a final order setting the premium rate following the conclusion of a hearing that is not conducted as a contested case hearing.

Insurance Code §2703.208 provides that an addition or amendment to the Basic Manual may be proposed and adopted by reference by publishing notice of the proposal or adoption by reference in the *Texas Register*.

Insurance Code §36.001 provides that the commissioner may adopt any rules necessary and appropriate to implement the powers and duties of TDI under the Insurance Code and other laws of this state.

CROSS-REFERENCE TO STATUTE. Section 9.1 implements Title 11 of the Insurance Code.

TEXT.

§9.1. Basic Manual of Rules, Rates, and Forms for the Writing of Title Insurance in the State of Texas.

The Texas Department of Insurance adopts by reference the *Basic Manual of Rules, Rates, and Forms for the Writing of Title Insurance in the State of Texas* (Basic Manual) as amended, effective March 1, 2026 [~~November 1, 2024~~]. The Basic Manual is available on the TDI website at www.tdi.texas.gov.

CERTIFICATION. The agency certifies that legal counsel has reviewed the proposal and found it to be within the state agency's legal authority to adopt.

Issued in Austin, Texas, on January 29, 2026.

Signed by:

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Jessica Barta, General Counsel

Texas Department of Insurance