

HB 2257 -- TITLE INSURANCE

SPONSOR: Jones

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Property, Casualty, and Life Insurance by a vote of 8 to 2. Voted "Do Pass" by the Select Committee on Insurance by a vote of 9 to 0.

This bill provides that a title insurer, title agency, or title agent may perform escrow or closing services in residential real estate transactions by giving notice to affected persons that their interests are not protected by the title insurer, agency, or agent in situations where the title insurance policy is not being issued by the title insurer, agency, or agent performing the escrow or closing services. In situations where title insurers, agencies, and agents are exclusively performing escrow, settlement, or closing services, it is unlawful for the entities to do so unless they clearly disclose to the sellers, buyers, and lenders involved in the escrows, settlements, or closings that no title insurer is providing any protection for closing or settlement funds.

This bill is similar to HB 1040 (2015).

PROPOSERS: Supporters say that the bill provides additional protections to consumers by giving notice to affected persons that their interests are not protected by the title insurer, agency, or agent in situations where the title insurance policy is not being issued by the title insurer, agency, or agent performing the escrow or closing services.

Testifying for the bill were Representative Jones; David Townsend, Agents National Title Insurance; Missouri Bankers; and Missouri Realtors.

OPPOSERS: There was no opposition voiced to the committee.