

SECOND REGULAR SESSION

HOUSE BILL NO. 2014

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE LEMBKE.

Read 1st time March 15, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5616L.01I

AN ACT

To amend chapter 381, RSMo, by adding thereto one new section relating to the regulation of title insurance.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 381, RSMo, is amended by adding thereto one new section, to be
2 known as section 381.027, to read as follows:

**381.027. A title insurer is liable for the defalcation, conversion, or misappropriation
2 by a licensed title insurance agent or agency of funds held in trust by the agent or agency
3 under section 381.022. If the agent or agency is an agent or agency for two or more title
4 insurers, any liability shall be borne by the title insurer upon which a title insurance
5 commitment or policy was issued prior to the illegal act. If no commitment or policy was
6 issued, each title insurer represented by the agent or agency at the time of the illegal act
7 shares in the liability in the same proportion that the premium remitted to it by the agent
8 or agency during the one-year period before the illegal act bears to the total premium
9 remitted to all title insurers by the agent or agency during the same time period.**

✓

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.