

## LEGISLATIVE BILL 221

Approved by the Governor June 04, 2019

Introduced by La Grone, 49.

A BILL FOR AN ACT relating to the Title Insurers Act; to amend section 44-1984, Reissue Revised Statutes of Nebraska; to change provisions relating to limitations on powers; and to repeal the original section.  
Be it enacted by the people of the State of Nebraska,

Section 1. Section 44-1984, Reissue Revised Statutes of Nebraska, is amended to read:

44-1984 (1) No insurer that transacts any line of business other than title insurance shall be eligible for the issuance or renewal of a certificate of authority to transact the business of title insurance in this state nor shall title insurance be transacted, underwritten, or issued by any insurer transacting or authorized to transact any other line of business.

(2)(a) Notwithstanding subsection (1) of this section, and to the extent such coverage is lawful within this state, a title insurer shall issue closing or settlement protection covering a proposed insured if the title insurer or its title insurance agent engages in any escrow, settlement, or closing services relating to the issuance of a title insurance commitment or title insurance policy to a proposed insured issues a title insurance commitment or title insurance policy. Such closing or settlement protection shall conform to the terms of coverage and form of instrument as required by the director and shall indemnify a proposed insured solely against loss of settlement funds only because of the following acts of a title insurer's named title insurance agent:

(i) Theft of settlement funds; and

(ii) Failure to comply with written closing instructions by the proposed insured when agreed to by the title insurance agent relating to title insurance coverage.

(b) The director may prescribe or approve a required charge for providing the coverage.

(c) A title insurer shall not provide any other coverage which purports to indemnify against improper acts or omissions of a person with regard to escrow, settlement, or closing services.

Sec. 2. Original section 44-1984, Reissue Revised Statutes of Nebraska, is repealed.