

**First Regular Session  
Seventieth General Assembly  
STATE OF COLORADO**

**ENGROSSED**

*This Version Includes All Amendments Adopted  
on Second Reading in the House of Introduction*

LLS NO. 15-0855.02 Bart Miller x2173

**SENATE BILL 15-210**

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**SENATE SPONSORSHIP**

**Woods,** Baumgardner, Holbert, Martinez Humenik

**HOUSE SPONSORSHIP**

**Arndt,**

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**Senate Committees**

Business, Labor, & Technology  
Finance  
Appropriations

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING CREATION OF THE TITLE INSURANCE COMMISSION.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

The bill creates the title insurance commission (commission). The bill establishes the powers, duties, and functions of the commission and provides for the appointment of the members of the commission. With the exception of rate regulation and licensing, which will continue to be done by the insurance commissioner, the commission participates in the regulation of the title insurance business in Colorado by concurring in rules of the insurance commissioner, proposing rules for approval by the insurance commissioner, and reviewing and concurring in disciplinary

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.*

SENATE  
Amended 2nd Reading  
May 4, 2015

actions related to the regulation of the title insurance business. The commission is scheduled to sunset September 1, 2025, subject to continuation after a sunset review as provided by law.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 10-11-102, **add** (1.3),  
3 (3.6), and (3.9) as follows:

4 **10-11-102. Definitions.** As used in this article, unless the context  
5 otherwise requires:

6 (1.3) "AFFILIATE" OR "SUBSIDIARY" MEANS A PERSON WHO  
7 DIRECTLY OR INDIRECTLY, THROUGH ONE OR MORE INTERMEDIARIES:

8 (a) CONTROLS A TITLE INSURANCE AGENT OR TITLE INSURANCE  
9 COMPANY;

10 (b) IS CONTROLLED BY A TITLE INSURANCE COMPANY; OR

11 (c) IS UNDER COMMON CONTROL WITH A TITLE INSURANCE AGENT  
12 OR TITLE INSURANCE COMPANY.

13 (3.6) "COMMISSION" MEANS THE TITLE INSURANCE COMMISSION  
14 ESTABLISHED IN PART 2 OF THIS ARTICLE.

15 (3.9) "NET ADMITTED ASSETS" MEANS THE TITLE INSURANCE  
16 COMPANY'S NET ADMITTED ASSETS AS REPORTED PURSUANT TO SECTION  
17 10-3-208.

18 **SECTION 2.** In Colorado Revised Statutes, **add** part 2 to article  
19 11 of title 10 as follows:

20 PART 2

21 TITLE INSURANCE COMMISSION

22 == =====

23 **10-11-201. Title insurance commission - creation - advisory**  
24 **body - appointment of members - meetings - repeal.** (1) THERE IS

1 HEREBY CREATED IN THE DIVISION THE TITLE INSURANCE COMMISSION.  
2 THE COMMISSION IS AN ADVISORY BODY TO THE COMMISSIONER  
3 CONCERNING MATTERS OF TITLE INSURANCE. NOTHING IN THIS SECTION  
4 DIVESTS THE COMMISSIONER OF HIS OR HER AUTHORITY TO REGULATE THE  
5 BUSINESS OF INSURANCE.

6 (2) (a) THE COMMISSION CONSISTS OF NINE MEMBERS APPOINTED  
7 BY THE GOVERNOR AS FOLLOWS:

8 (I) THREE MEMBERS SHALL BE EMPLOYEES OF TITLE INSURANCE  
9 COMPANIES WITH THE FOLLOWING QUALIFICATIONS:

10 (A) EACH SHALL BE A LICENSED EMPLOYEE OF A TITLE INSURANCE  
11 COMPANY WITH NOT LESS THAN FIVE YEARS' EXPERIENCE IN TITLE  
12 INSURANCE BUSINESS;

13 (B) AT LEAST ONE SHALL BE A REPRESENTATIVE OF A TITLE  
14 INSURANCE COMPANY THAT HAS NET ADMITTED ASSETS OF FIVE HUNDRED  
15 MILLION DOLLARS OR MORE; AND

16 (C) AT LEAST ONE SHALL BE A REPRESENTATIVE OF A TITLE  
17 INSURANCE COMPANY THAT HAS NET ADMITTED ASSETS OF LESS THAN FIVE  
18 HUNDRED MILLION DOLLARS.

19 (II) THREE MEMBERS SHALL BE EMPLOYEES OF A TITLE INSURANCE  
20 AGENT WITH THE FOLLOWING QUALIFICATIONS:

21 (A) EACH SHALL BE A RESIDENT LICENSED TITLE INSURANCE  
22 AGENT WITH NOT LESS THAN FIVE YEARS' EXPERIENCE IN TITLE INSURANCE  
23 BUSINESS IN COLORADO; AND

24 (B) TO THE GREATEST EXTENT POSSIBLE THE COMMISSION SHALL  
25 REFLECT THE GEOGRAPHIC DIVERSITY OF THE STATE AND HAVE  
26 REPRESENTATION FROM MEMBERS WHO RESIDE OR HAVE THEIR PRINCIPAL  
27 PLACE OF BUSINESS WITHIN A STANDARD METROPOLITAN STATISTICAL

1 AREA AND MEMBERS WHO RESIDE OR WHOSE PRINCIPAL PLACE OF  
2 BUSINESS IS OUTSIDE A STANDARD METROPOLITAN STATISTICAL AREA.

3 (III) THREE MEMBERS SHALL REPRESENT THE PUBLIC AT LARGE,  
4 SHALL BE RESIDENTS OF COLORADO, AND SHALL NOT BE ENGAGED IN THE  
5 BUSINESS OF TITLE INSURANCE. AT LEAST ONE OF THE THREE PUBLIC AT  
6 LARGE MEMBERS SHALL RESIDE OUTSIDE A STANDARD METROPOLITAN  
7 STATISTICAL AREA.

8 (b) NO MORE THAN ONE MEMBER OF THE COMMISSION MAY BE  
9 APPOINTED FROM A SINGLE COMPANY OR AN AFFILIATE OR SUBSIDIARY OF  
10 A COMPANY.

11 (c) (I) IN ORDER TO ENSURE STAGGERED TERMS, ONE MEMBER  
12 APPOINTED UNDER SUBPARAGRAPH (I) OF PARAGRAPH (a) OF THIS  
13 SUBSECTION (2), ONE MEMBER APPOINTED UNDER SUBPARAGRAPH (II) OF  
14 PARAGRAPH (a) OF THIS SUBSECTION (2), AND TWO MEMBERS APPOINTED  
15 UNDER SUBPARAGRAPH (III) OF PARAGRAPH (a) OF THIS SUBSECTION (2)  
16 SHALL BE APPOINTED FOR A TERM OF TWO YEARS AND THE REMAINING  
17 APPOINTEES SHALL SERVE FOR A TERM OF FOUR YEARS. THEREAFTER, THE  
18 TERMS OF THE MEMBERS SHALL BE FOR FOUR YEARS WITH A MAXIMUM OF  
19 TWO CONSECUTIVE TERMS.

20 (II) IF A COMMISSION MEMBER'S EMPLOYMENT OR LICENSE STATUS  
21 CHANGES DURING THE MEMBER'S TERM SO THAT THE MEMBER IS NO  
22 LONGER QUALIFIED TO SERVE ON THE COMMISSION, OR UPON THE DEATH,  
23 RESIGNATION, REMOVAL, OR INCAPACITY OF ANY MEMBER OF THE  
24 COMMISSION, THE GOVERNOR SHALL APPOINT A MEMBER TO FILL OUT THE  
25 UNEXPIRED TERM. THE MEMBERS OF THE COMMISSION SERVE AT THE  
26 PLEASURE OF THE GOVERNOR.

27 (d) MEMBERS OF THE COMMISSION ARE NOT EMPLOYEES OF THE

1 DIVISION AND SHALL NOT RECEIVE COMPENSATION FOR SERVICE ON THE  
2 COMMISSION; EXCEPT THAT A MEMBER MAY BE REIMBURSED FOR MILEAGE  
3 IN EXCESS OF FIFTY MILES FROM THEIR PRINCIPAL PLACE OF BUSINESS OR  
4 RESIDENCE TO ATTEND COMMISSION MEETINGS. \_\_\_ \_\_\_

5 (e) MEMBERS OF THE COMMISSION SHALL ANNUALLY SELECT ONE  
6 MEMBER TO SERVE AS CHAIR.

7 (f) THE CHAIR OF THE COMMISSION MAY CALL MEETINGS AS  
8 NECESSARY AND MAY CALL ADDITIONAL MEETINGS:

9 (I) AT THE CHAIR'S DISCRETION;

10 (II) UPON REQUEST OF THE COMMISSIONER; OR

11 (III) UPON THE WRITTEN REQUEST OF THREE OR MORE MEMBERS.

12 (g) THE COMMISSION SHALL MEET NO LESS THAN FOUR TIMES PER  
13 YEAR AND MAY MEET NO MORE THAN EIGHT TIMES PER YEAR.

14 (h) SIX MEMBERS SHALL CONSTITUTE A QUORUM FOR THE  
15 TRANSACTION OF BUSINESS. THE ACTION OF A MAJORITY OF THE MEMBERS  
16 WHEN A QUORUM IS PRESENT IS THE ACTION OF THE COMMISSION.

17 (i) THE DIVISION SHALL AID IN THE ADMINISTRATION OF THE  
18 COMMISSION.

19 (j) ALL MEETINGS OF THE COMMISSION SHALL BE OPEN TO THE  
20 PUBLIC PURSUANT TO PART 4 OF ARTICLE 6 OF TITLE 24, C.R.S. THE  
21 RECORDS OF THE COMMISSION AND ITS MEMBERS SHALL BE SUBJECT TO  
22 THE REQUIREMENTS OF PART 2 OF ARTICLE 72 OF TITLE 24, C.R.S.

23 **10-11-202. Powers, duties, and functions - recommendations**

24 **on rules. (1) THE COMMISSION MAY:**

25 (a) PROPOSE, ADVISE, AND RECOMMEND RULES SUBJECT TO  
26 APPROVAL BY THE COMMISSIONER FOR THE IMPLEMENTATION AND  
27 ADMINISTRATION OF THE BUSINESS OF TITLE INSURANCE;

1           (b) PROPOSE, ADVISE, AND RECOMMEND BULLETINS AND POSITION  
2           STATEMENTS RELATED TO THE BUSINESS OF TITLE INSURANCE FOR  
3           ISSUANCE UPON THE COMMISSIONER'S APPROVAL;

4           (c) PROPOSE, ADVISE, AND RECOMMEND THE ESTABLISHMENT OF  
5           ADDITIONAL CONSUMER PROTECTIONS IN STATUTE OR RULE RELATED TO  
6           THE MISAPPROPRIATION OF FUNDS, MISUSE OF PERSONAL INFORMATION,  
7           CLOSING AND SETTLEMENT SERVICES, OR OTHER CONCERNS. ADDITIONAL  
8           CONSUMER PROTECTIONS RECOMMENDED BY THE COMMISSION SHALL BE  
9           PROVIDED TO THE COMMISSIONER AND INCLUDED IN THE ANNUAL REPORT  
10          OF THE COMMISSIONER ON TITLE INSURANCE PROVIDED UNDER SECTION  
11          10-3-207 (1) (f) (IV).

12          (d) FOLLOWING ANY JUDICIAL REVIEW UNDER SECTION 24-4-106,  
13          C.R.S., OR AFTER THE EXPIRATION OF ANY PERIOD FOR REVIEW OR APPEAL  
14          OF AN ENFORCEMENT OR LICENSING ACTION TAKEN BY THE DIVISION  
15          AGAINST A TITLE INSURANCE COMPANY, TITLE INSURANCE AGENT, OR  
16          TITLE INSURANCE AGENCY, CONSULT WITH THE COMMISSIONER OR THE  
17          COMMISSIONER'S DESIGNEE REGARDING THE FINAL AGENCY ACTION TAKEN  
18          BY THE DIVISION. THE COMMISSION WILL BE PROVIDED A COPY OF THE  
19          FINAL AGENCY ACTION DOCUMENTS AT THE QUARTERLY MEETING  
20          FOLLOWING THE CONCLUSION OF THE ACTION AND ANY JUDICIAL REVIEW  
21          OR APPEAL.

22          (e) FOLLOWING ANY JUDICIAL REVIEW UNDER SECTION 24-4-106,  
23          C.R.S., OR AFTER THE EXPIRATION OF ANY PERIOD FOR REVIEW OR APPEAL  
24          COMMENCED AS A RESULT OF A MARKET CONDUCT ACTION TAKEN BY THE  
25          DIVISION AGAINST A TITLE INSURANCE COMPANY OR TITLE INSURANCE  
26          AGENCY, CONSULT WITH THE COMMISSIONER OR THE COMMISSIONER'S  
27          DESIGNEE REGARDING THE FINAL AGENCY ACTION TAKEN BY THE DIVISION.

1 THE COMMISSION WILL BE PROVIDED A COPY OF THE FINAL AGENCY ORDER  
2 AND THE MARKET CONDUCT REPORT AT THE QUARTERLY MEETING  
3 FOLLOWING THE CONCLUSION OF THE ACTION AND ANY JUDICIAL REVIEW  
4 OR APPEAL.

5 (2) AT EACH QUARTERLY MEETING, THE COMMISSION WILL BE  
6 PROVIDED WITH A WRITTEN SUMMARY OF THE COMPLAINTS INVESTIGATED  
7 AND CLOSED BY THE DIVISION WITHOUT ACTION. THE SUMMARY WILL  
8 INCLUDE A BRIEF DESCRIPTION OR CATEGORIZATION OF THE CONDUCT  
9 ALLEGED TO BE IN VIOLATION OF THE LAW AND WHY NO ACTION WAS  
10 TAKEN.

11 (3) THE COMMISSIONER SHALL RESPOND TO THE COMMISSION IF  
12 THE COMMISSIONER DETERMINES NOT TO IMPLEMENT THE PROPOSAL,  
13 ADVICE, OR RECOMMENDATION OF THE COMMISSION UNDER PARAGRAPHS  
14 (a) AND (b) OF SUBSECTION (1) OF THIS SECTION.

15 **10-11-203. Repeal.** THIS PART 2 IS REPEALED, EFFECTIVE  
16 SEPTEMBER 1, 2025; EXCEPT THAT, PRIOR TO ITS REPEAL, THE COMMISSION  
17 SHALL BE REVIEWED PURSUANT TO SECTION 2-3-1203, C.R.S.

18 **SECTION 3.** In Colorado Revised Statutes, 2-3-1203, **add** (3)(II)  
19 as follows:

20 **2-3-1203. Sunset review of advisory committees.** (3) The  
21 following dates are the dates on which the statutory authorization for the  
22 designated advisory committees is scheduled for repeal:

23 (II) SEPTEMBER 1, 2025:

24 (I) THE TITLE INSURANCE COMMISSION, CREATED IN PART 2 OF  
25 ARTICLE 11 OF TITLE 10, C.R.S.

26 **SECTION 4. Appropriation.** For the 2015-16 state fiscal year,  
27 \$3,200 is appropriated to the department of regulatory agencies for use by

1 the division of insurance. This appropriation is from the division fund  
2 created in section 10-1-103 (3), C.R.S. The division of insurance may use  
3 this appropriation to implement this act.

4           **SECTION 5. Act subject to petition - effective date.** This act  
5 takes effect at 12:01 a.m. on the day following the expiration of the  
6 ninety-day period after final adjournment of the general assembly (August  
7 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a  
8 referendum petition is filed pursuant to section 1 (3) of article V of the  
9 state constitution against this act or an item, section, or part of this act  
10 within such period, then the act, item, section, or part will not take effect  
11 unless approved by the people at the general election to be held in  
12 November 2016 and, in such case, will take effect on the date of the  
13 official declaration of the vote thereon by the governor.