

**State Corporation Commission
2006 Fiscal Impact Statement**

1. Bill Number SB255

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed

Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron Wagner

3. Committee Commerce and Labor

4. Title CRESPA; confidentiality of documents.

5. Summary/Purpose: Consumer Real Estate Settlement Protection Act (CRESPA). Establishes protections for the confidentiality of documents and other materials obtained by the State Corporation Commission pursuant to an investigation of a title insurance company or agent in the course of an investigation under CRESPA.

6. No Fiscal Impact

7. Budget amendment necessary: No

8. Fiscal implications: None

9. Specific agency or political subdivisions affected: State Corporation Commission Bureau of Insurance

10. Technical amendment necessary: No

11. Other comments: The Bureau of Insurance has regulatory authority over title insurance companies and agents and also those title insurance companies or agents who also act in the capacity of real estate settlement agents. In 2001, the General Assembly enacted confidentiality provisions in Chapter 18 (Insurance Agents) of Title 38.2 in response to the enactment of the federal Gramm-Leach-Bliley Act. That language was inadvertently left out of CRESPA. As a result, confidential information and documents of title insurance agents were not afforded the same confidential treatment if the title insurance agent was also a settlement agent. Senate Bill 255 will address that oversight and ensure consistency in the treatment of confidential information and documents received by the Bureau of Insurance during any agent investigation.

Senate Bill 255 was introduced at the request of the State Corporation Commission Bureau of Insurance

Date: 01/15/06 V. Tompkins

cc: Secretary of Commerce and Trade