

Hall of the House of Representatives
84th General Assembly - Regular Session, 2003
Amendment Form

Subtitle of House Bill No. 2444

"AN ACT CONCERNING REVISIONS TO THE TITLE INSURANCE AGENT'S LICENSING
ACT."

Amendment No. 1 to House Bill No. 2444.

Amend House Bill No. 2444 as originally introduced:

Page 3 line 5 insert the following:

“SECTION 3. Arkansas Code § 23-103-301 is amended to read as follows:
23-103-301. License required.

(a) On and after January 31, 2002, a person shall not sell or receive a premium for a commitment or a contract of title insurance pertaining to real property in this state, unless the person is a title insurer or licensed as a an issuing title insurance agent under this chapter.

(b) On and after January 31, 2002, no commitment or contract of title insurance pertaining to real property situated in the State of Arkansas shall be issued, sold, or exchanged, unless the commitment and contract of title insurance is countersigned by a title insurance agent, who is a resident of this state and licensed under this chapter either as an issuing title insurance agent or a signing title insurance agent.

(c) The name of the signing agent making the countersignature and the number of the license certificate shall be printed or legibly written by hand underneath the countersignature.

SECTION 4. Arkansas Code § 23-103-305, concerning the issuance of a license for a title insurance agent, is amended to add an additional subsection to read as follows:

(e)(1) The license certificate shall indicate whether the license is issued as an issuing agent license, a signing agent license, or a license for an inactive licensee.

(2) An issuing agent license shall be issued to an applicant if the applicant:

(A) Provides evidence satisfactory to the board that the applicant may sell or receive premiums for commitments and contracts for title insurance issued by the applicant in the name of a title insurer;

(B) Provides evidence satisfactory to the board that the applicant may sell or receive premiums for commitments and contracts of title insurance issued by the applicant in the name of a title insurer; and

(C) Satisfies the requirements for licensure under § 23-



103-305(a) and (b).

(3) A signing agent license shall be issued to an applicant if the applicant:

(A) Provides evidence satisfactory to the board that upon licensure the applicant will be authorized by the issuing agent to countersign commitments and contracts of title insurance on behalf of the issuing agent; and

(B) Satisfies the requirements for licensure under § 23-103-305(a) and (b).

(4) An inactive signing agent's license shall be issued to all other applicants who otherwise would qualify for licensure under § 23-103-305(a) and (b).

SECTION 5. Arkansas Code § 23-103-307 is amended to read as follows:

23-103-307. Abstractor's exemption from examination.

(a) Every person to whom the State of Arkansas has issued, as of January 1, 2001, a certificate of registration as a registered abstractor or a certificate of authority to engage in the business of abstracting, shall be exempt from the examination required in § 23-103-304, and the person, including each natural person designated by a business entity to exercise the powers to be conferred by the title insurance agent's license, who is an Arkansas-registered abstractor on January 1, 2001, upon payment of the original license fee, shall be certified by the Arkansas Title Insurance Agents' Licensing Board as a licensed title insurance agent, and the license certificate shall be immediately issued to the person.

(b) An Arkansas registered abstractor eligible for the exemption granted in this section shall become ineligible for the exemption after January 31, 2005.

SECTION 6. Arkansas Code Title 23, Chapter 103, Subchapter 3 is amended to add an additional section to read as follows:

23-103-315. Transfer and cancellation of license.

(a)(1) An issuing agent may effect the transfer of a signing agent's license or an inactive signing agent's license to the issuing agent by furnishing evidence satisfactory to the board that the signing agent has been authorized to countersign commitments and contracts of title insurance in the name of the issuing agent and has otherwise satisfied the requirements for licensure under this chapter.

(2) The board shall then issue a replacement license certificate to the signing agent naming the issuing agent thereon.

(b)(1) An issuing agent shall effect the cancellation of a signing agent's license that has been placed with the issuing agent by providing evidence satisfactory to the board that the signing agent licensee no longer may countersign commitments and contracts of title insurance on behalf of the issuing agent.

(2) The board shall then cancel the license certificate issued to the signing agent licensee.

(3) The signing agent's license shall be placed on inactive status.

SECTION 7. Arkansas Code Title 23, Chapter 103, Subchapter 3 is amended to add an additional section to read as follows:

23-103-316. Continuing education - requirements.

(a) Beginning February 1, 2004, as a condition precedent to renewal or reactivation of licenses, licensees shall meet the following requirements:

(1)(A) Before activation of a license on inactive status, the licensee shall satisfactorily complete four (4) classroom hours or equivalent continuing education units or equivalent correspondence work of continuing education for each year inactive not to exceed twenty (20) classroom hours.

(B) However, satisfying the requirements in subdivision (a)(1)(A) of this section, will only satisfy the requirements for that particular license year and not for the following license year;

(2)(A) Persons licensed as title insurance agents shall successfully complete four (4) classroom hours or equivalent continuing education units or equivalent correspondence work of continuing education annually.

(B) At least one (1) hour or equivalent continuing education unit shall be in a specific topic or topics as identified by the board.

(C) Persons satisfying the requirements in subdivision (a)(2)(A) of this section, shall be deemed to have successfully completed the continuing education requirements for the licensing year following the year in which first licensed in Arkansas; and

(3) A nonresident licensee may meet this state's continuing education requirements by taking courses that meet the continuing education requirements of his or her resident state for the licensing year in question, if:

(A) The course or courses consist of no fewer than four (4) classroom hours or equivalent continuing education units of title insurance related subjects and otherwise comply with the minimum requirements of this chapter; and

(B) Evidence of the compliance satisfactory to the board is submitted in form, manner, and content prescribed by the board.

(b) Licensees on inactive status are not required to comply with this subchapter during their inactive status.

(c) The board may waive all or part of the requirements of subsection (a) of this section for any licensee who submits satisfactory evidence of inability to meet the continuing education requirements due to health reasons or other hardship or extenuating circumstances beyond the licensee's control.

(d) Licenses for persons who apply for renewal of his or her license and who do not provide to the board evidence of meeting the continuing education requirements, but who have otherwise met all requirements for license renewal, shall be placed on inactive status until the evidence is provided to the board.

(e) If the licensee fails to complete the post-licensure education requirements within twelve (12) months after the date the license was issued, the board shall place the license on inactive status until the board receives documentation that the licensee has completed the post-licensure education requirements.

(f) The board may prescribe forms and certificates to be utilized by continuing education providers and licensees in the administration and completion of continuing education courses.

(g) The board may require continuing education providers to maintain course records and to make these records available to the board for audit and

review.

(h) The board may require licenses to maintain continuing education records and to provide the records to the board to ensure compliance with the continuing education requirements.

(i) Renewal of a license issued to an attorney licensed in this state under § 23-103-302, is subject to § 23-103-310 except that the renewal shall not be subject to the continuing education requirements of this chapter.”

The Amendment was read _____
By: Representative Cowling
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Chief Clerk