

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 1014 (Delegate Frank)

Economic Matters

Title Insurance - Title Plants

This amended bill requires a “title plant” to be allowed as an admitted asset in determining the financial condition of a title insurer. A title plant is defined as an integrated and indexed collection of title records consisting of documents, maps, surveys, or entries affecting title to real property or any interest in or encumbrance on the property which has been filed or recorded in the jurisdiction for which the title plant is established or maintained, as well as copies of prior title insurance policies. The bill also establishes standards for the valuation and sale of title plants.

Fiscal Summary

State Effect: None. The bill’s changes could be handled with existing budgeted resources of the Maryland Insurance Administration.

Local Effect: None.

Small Business Effect: Potential meaningful effect on a limited number of small businesses.

Fiscal Analysis

Small Business Effect: Of the 24 title insurance companies licensed to operate in Maryland, only two are domestics. At least one of the domestics is known to be a small business. The allowance of a title plant as an admitted asset could have a meaningful impact by improving the financial condition of an insurer.

Information Source(s): Maryland Insurance Administration, Department of Legislative

Services

Fiscal Note History:

First Reader - February 20, 1998

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Revised - House Third Reader - March 18, 1998

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