

A MEMORIAL

REQUESTING THE INSURANCE DIVISION OF THE PUBLIC REGULATION COMMISSION TO PROPOSE COMPREHENSIVE REVISIONS TO THE NEW MEXICO TITLE INSURANCE LAW.

WHEREAS, for the last ten years, the title insurance industry in New Mexico has earned profits that are far in excess of the profit margins underlying the rates promulgated by the superintendent of insurance; and

WHEREAS, current statutes require all title insurers to charge uniform rates set by the superintendent; and

WHEREAS, the introduction of price competition may encourage title insurers to offer consumers and lenders rates that are lower than those adopted by the superintendent of insurance; and

WHEREAS, the current statutory requirement that the superintendent conduct annual title insurance rate hearings absorbs an inordinate amount of the limited resources of the insurance division of the public regulation commission; and

WHEREAS, concerns have been raised that remedies available to property owners arising from negligent title searches and examinations may be unreasonably limited by the New Mexico Title Insurance Law; and

WHEREAS, the attorney general; the public regulation commission; the superintendent of insurance; think New Mexico,

a nonpartisan public policy group; the American association of retired persons; the senior citizens' law office; the United States conference of Catholic bishops; real estate groups; newspapers across the state; and other interested parties have stated the need for revising the New Mexico Title Insurance Law;

NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE STATE OF NEW MEXICO that the insurance division of the public regulation commission be requested to draft a comprehensive revision of the New Mexico Title Insurance Law and to submit the proposed revision to the interim legislative finance committee, the interim Mortgage Finance Authority Act oversight committee and the governor; and

BE IT FURTHER RESOLVED that a copy of this memorial be transmitted to the insurance division of the public regulation commission.