

HOUSE BILL NO. 207

INTRODUCED BY T. BERRY

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A BILL FOR AN ACT ENTITLED: "AN ACT PROVIDING FOR COUNTERSIGNATURES WITH RESPECT TO TITLE INSURANCE PRODUCERS; AND REGULATING THE PLACEMENT OF TITLE EXCEPTIONS ON TITLE COMMITMENTS."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

NEW SECTION. Section 1. Title insurance countersignatures -- exceptions on title commitments.

(1) An authorized title insurance producer may not issue a policy covering a subject of insurance residing, located, or to be performed in Montana unless:

- (a) the policy is written through a licensed title insurance producer residing in Montana; or
- (b) the policy is written through a licensed nonresident title insurance producer and the policy or countersignature endorsement attached to the policy is countersigned by a Montana resident licensed title insurance producer.

(2) A title insurance producer shall ensure that, except for standard or preprinted exceptions, all proposed title exceptions on a title commitment for the issuance of a policy of title insurance make reference to the recording information of the document to be excepted from coverage. In the case of unrecorded yet known impairments, the title insurance producer may use other identifiable marks on the document, such as the date, names of parties, and case numbers. A title insurance producer may not make use of generic exceptions unless there is receipt of written instructions signed by the proposed insured authorizing the use of the exceptions or unless a request from the proposed insured for a specific policy form has been made that makes use of the exceptions.

NEW SECTION. Section 2. Codification instruction. [Section 1] is intended to be codified as an integral part of Title 33, chapter 25, and the provisions of Title 33, chapter 25, apply to [section 1].

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