

HOUSE No. 952

The Commonwealth of Massachusetts

PRESENTED BY:

Antonio F. D. Cabral

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying resolve:

Resolve establishing a commission to better protect consumers in Massachusetts.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Antonio F. D. Cabral</i>	<i>13th Bristol</i>	<i>1/20/2023</i>
<i>Christopher Hendricks</i>	<i>11th Bristol</i>	<i>1/26/2023</i>
<i>Paul A. Schmid, III</i>	<i>8th Bristol</i>	<i>2/1/2023</i>
<i>Vanna Howard</i>	<i>17th Middlesex</i>	<i>2/1/2023</i>

HOUSE No. 952

By Representative Cabral of New Bedford, a petition (accompanied by resolve, House, No. 952) of Antonio F. D. Cabral and others for an investigation by a special commission (including members of the General Court) to better protect consumers by studying and analyzing title insurance practices. Financial Services.

The Commonwealth of Massachusetts

In the One Hundred and Ninety-Third General Court
(2023-2024)

Resolve establishing a commission to better protect consumers in Massachusetts.

1 **Resolved**, (a) There shall be a special commission to better protect consumers by
2 studying and analyzing title insurance practices in Massachusetts, for the purpose of making
3 recommendations for changes to State laws relating to title insurance practices and rates and
4 shall include but not be limited to: providing for the membership and purposes of the
5 Commission; requiring the Commission to report to certain persons by a certain date; and
6 generally relating to the Commission to Better Protect Consumers in Massachusetts.

7 (b) The commission shall: (i) review State laws relating to title insurance practices and
8 rates; (ii) review the mechanisms available to enforce State laws relating to title insurance
9 practices and rates and the effectiveness of those mechanisms; (iii) identify title insurance issues
10 that affect consumers in Massachusetts, including but not limited to the purchase of title
11 insurance for borrower and lender; (iv) examine the rate-setting factors for title insurance
12 premiums; (v) examine how rates and services in other states compare to those in Massachusetts;
13 (vi) identify ways to improve consumer education about title insurance practices and rates; (vii)

14 study whether mechanics' liens on properties scheduled for settlement have an impact on the
15 timeliness of settlements or on title insurance premium rates; (viii) review the time limits,
16 subsequent to closing, for the issuance of title insurance policies; (ix) study affiliated business
17 arrangements among title insurance producers, builders, title insurance companies, realtors,
18 lenders, real estate closing attorneys, actuaries, and other businesses involved with the settlement
19 of real estate transactions to determine the impact of these arrangements on title insurance
20 premium rates; (x) study title insurance for mortgage refinancing with same lender; (xi) study the
21 feasibility of establishing a public option for title insurance guarantee plan such as the Iowa Title
22 Guaranty System and the economic impact on the Commonwealth; (xii) study alternatives to real
23 estate attorneys as sales agents; (xiii) study any other issue with significant impact on title
24 insurance; and (xiv) study the existence and/or impacts of risk transfer for properties in the state
25 that are "registered land" through the Land Court.

26 (c) The Commission shall consist of thirteen members: one member of the Senate,
27 appointed by the President of the Senate; one member of the House, appointed by the Speaker of
28 the House; the Massachusetts Insurance Commissioner, or its designee, who shall be co-chair;
29 the Massachusetts Attorney General, or its designee, who shall be co-chair; the Executive
30 Director of the Board of Registration of Real Estate Brokers and Salespersons, or its designee;
31 the Commissioner of Consumer Affairs and Business Regulation, or its designee; the Secretary
32 of Housing and Community Development, or its designee; and six members to be appointed by
33 the governor, provided that one member is from the Massachusetts Law Reform Institute, the
34 Massachusetts State Bar Association, the Massachusetts Mortgage Bankers Association,
35 MassHousing, the New England Land Title Association, and the American Academy of
36 Actuaries.

37 The commission may consult with relevant experts to support the commissions'
38 objectives and production of its report.

39 (d) The Commission shall report on its findings, recommendations, and suggested
40 legislation with the clerks of the senate and house of representatives, the senate and house
41 committees on ways and means, the joint committee on consumer protection and professional
42 licensure, the joint committee on financial services, the joint committee on housing, and the joint
43 committee on state administration and regulatory oversight not later than July 31, 2024.

44 (e) This act shall take effect upon its passage.