

IDAPA 18 - IDAHO DEPARTMENT OF INSURANCE

18.01.56 - REBATES AND ILLEGAL INDUCEMENTS TO OBTAINING TITLE INSURANCE BUSINESS RULES

DOCKET NO. 18-0156-1601

NOTICE OF RULEMAKING - PROPOSED RULE

AUTHORITY: In compliance with Section 67-5221(1), Idaho Code, notice is hereby given that this agency has initiated proposed rulemaking procedures. The action is authorized pursuant to Section(s) 41-211, Idaho Code.

PUBLIC HEARING SCHEDULE: Public hearing(s) concerning this rulemaking will be scheduled if requested in writing by twenty-five (25) persons, a political subdivision, or an agency, not later than October 19, 2016.

The hearing site(s) will be accessible to persons with disabilities. Requests for accommodation must be made not later than five (5) days prior to the hearing, to the agency address below.

DESCRIPTIVE SUMMARY: The following is a nontechnical explanation of the substance and purpose of the proposed rulemaking:

This existing rule concerns rebates and illegal inducements in title insurance and provides limits on what items of value may be provided to producers of title business. Changes in technology have increased efficiencies of operations for title agents such that items of value can be produced much more quickly, easily, and therefore inexpensively. Additionally, some of the limitations in the rule have not been changed in many years. The proposed rulemaking makes the following changes:

- * Subsection 010.05 (Social Media) – define social media.
- * Subsection 012.02 (Listing Packages) – permit photos to be included in allowed materials if no additional charge is required; paper delivery would have commensurate charge.
- * Subsection 012.03 (Additional Information That May Be Provided) – permit last deed of record.
- * Subsection 013.01 (Advertisement) – eliminate the quarterly publication requirement; amend to permit advertising in annual trade association publications.
- * Subsection 014.01 (Self-Promotional Items) – increase amount spent on self-promotion items from \$10 to \$25/item and from \$50 to \$200/year in cumulative value.
- * Subsection 014.02 (Social Media) – implement new section that clarifies the use of social media.
- * Subsection 014.03 (Educational Programs) – increase the expenditure from \$10 to \$20 per person. Also change “solely regarding title and escrow.” The intent is to expand the programs which may be offered while maintaining the integrity of the topics as being “related” to title and escrow.
- * Section 017 (Escrow Closing Charges and Premium Rates) – remove the reference to Section 41-2706, Idaho Code, which is improper following a legislative change in 2011.

FEE SUMMARY: The following is a specific description of the fee or charge imposed or increased: N/A

FISCAL IMPACT: The following is a specific description, if applicable, of any negative fiscal impact on the state general fund greater than ten thousand dollars (\$10,000) during the fiscal year resulting from this rulemaking: N/A

NEGOTIATED RULEMAKING: Pursuant to Section 67-5220(1), Idaho Code, negotiated rulemaking was conducted. The Notice of Intent to Promulgate Rules - Negotiated Rulemaking was published in the August 3, 2016 Idaho Administrative Bulletin, [Volume 16-8, Page 111](#).

INCORPORATION BY REFERENCE: Pursuant to Section 67-5229(2)(a), Idaho Code, the following is a brief synopsis of why the materials cited are being incorporated by reference into this rule: N/A

ASSISTANCE ON TECHNICAL QUESTIONS, SUBMISSION OF WRITTEN COMMENTS: For assistance on technical questions concerning the proposed rule, contact Jim Scanlon, at jim.scanlon@doi.idaho.gov or (208)334-4321.

Anyone may submit written comments regarding this proposed rulemaking. All written comments must be directed to the undersigned and must be delivered on or before October 26, 2016.

DATED September 2, 2016

Dean L. Cameron
Director
Idaho Department of Insurance
700 W. State Street, 3rd Floor
P.O. Box 83720
Boise, ID 83702-0043
Phone: (208) 334-4250
Fax: (208) 334-4398