

S 6288 ADAMS Same as [A 9441](#) Brodsky (MS)
ON FILE: 01/06/10 Workers' Compensation Law
TITLE....Directs state insurance fund to offer title
insurance and authorizes superintendent of
insurance to implement
11/13/09 REFERRED TO RULES
01/06/10 REFERRED TO LABOR

A9441 Brodsky (MS) Same as [S 6288](#)
ADAMS
Workers' Compensation Law
TITLE....Directs state insurance fund to offer title
insurance and authorizes superintendent of
insurance to implement such
01/06/10 referred to labor

STATE OF NEW YORK

6288

2009-2010 Regular Sessions

IN SENATE

November 13, 2009

Introduced by Sen. ADAMS -- read twice and ordered printed, and when printed to be committed to the Committee on Rules

AN ACT to amend the workers' compensation law, in relation to directing the state insurance fund to offer title insurance or certificates of clear title

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. Section 76 of the workers' compensation law is amended by
2 adding a new subdivision 6 to read as follows:

3 6. The purposes of the state insurance fund created in this section
4 are hereby enlarged to permit it to furnish title insurance policies, as
5 defined in subsection (b) of section six thousand four hundred of the
6 insurance law, and/or certificates of clear title. A separate fund is
7 hereby created within the state insurance fund, which shall be known as
8 the "title insurance fund", and which shall consist of all premiums
9 received and paid into said fund on account of such insurance, all secu-
10 rities acquired by and through the use of moneys belonging to said fund
11 and of interest earned upon moneys belonging to said fund and deposited
12 or invested as herein provided. Said title insurance fund shall be
13 applicable to the payments, expenses and assessments on account of title
14 insurance policies written pursuant to the rules and regulations estab-
15 lished by the superintendent of insurance.

16 § 2. The superintendent of insurance is hereby:

17 1. directed to create, within the insurance department, a title insur-
18 ance bureau which shall implement the title insurance program estab-
19 lished by this act; and

20 2. authorized to prescribe, amend and withdraw rules and regulations
21 implementing the provisions of subdivision 6 of section 76 of the work-
22 ers' compensation law, as added by section one of this act.

23 § 3. This act shall take effect immediately.

EXPLANATION--Matter in italics (underscored) is new; matter in brackets [-] is old law to be omitted.

**NEW YORK STATE SENATE
INTRODUCER'S MEMORANDUM IN SUPPORT
submitted in accordance with Senate Rule VI. Sec 1**

BILL NUMBER: S6288

SPONSOR: ADAMS

TITLE OF BILL:

An act to amend the workers' compensation law, in relation to directing the state insurance fund to offer title insurance or certificates of clear title

PURPOSE OR GENERAL IDEA OF BILL:

It directs the state insurance fund to offer title insurance and authorizes the superintendent of insurance to implement.

SUMMARY OF SPECIFIC PROVISIONS:

Section 1: The workers' compensation law is amended to add a new subdivision 6.

§2: The superintendent of insurance is directed to create, within the insurance department, a title insurance bureau which shall implement the title insurance program.

JUSTIFICATION:

Like other forms of insurance, title insurance, which guarantees homebuyers against claims of prior liens against property they intend to purchase, is regulated by New York State. Currently, title insurance is available through only private entities and costs citizens, on average, \$1.2 billion, in order to guarantee payments of \$50 million, according to 2007 statistics. Because title insurance is a requirement of home purchase, citizens are forced to pay accept the prices set by private industry, but that require the approval of the New York State Insurance Department. New York State should take a greater interest in protecting citizens from the overpricing of something the state requires of home buyers. For example, the State of Iowa has prohibited the private sale of title insurance, allowing the government to set rates and ensure that its citizens are offered standard price. Reform of the current New York State system could preserve the legal and social benefits of guaranteed title while saving New Yorkers hundreds of millions of dollars annually.

PRIOR LEGISLATIVE HISTORY:

New Bill.

FISCAL IMPLICATIONS:

None.

EFFECTIVE DATE:

This act shall take effect immediately.
