

Office of the Commissioner of Insurance
Title Advisory Council Meeting
November 14, 2008
Chaired by Mike Turney in the absence of Tom Rostad

Present: 6 members of the Title Advisory Council, Commissioner Sean Dilweg, Policy Advisor Jennifer Stegall, panel members Kathy Martello & Craig Haskins, large gallery of public members.

Approval of June 19, 2008 minutes

Colorado & Washington ABA Laws/Consumer Information

Commissioner of Insurance, Sean Dilweg, recommended that the Council take some time to read the attachments provided to them with this meeting's agenda and to visit the websites of these two state regulators. These states serve as examples to initiate conversation and reaction. Committee members were asked to share questions and comments with Jennifer Stegall one month prior to the next Council meeting.

ABA Panel Discussion

Kathy Martello, Title 100, Inc. in Brookfield gave an overview of an Affiliated Business Arrangement giving examples of the practical side, the benefits to all parties, the legal side, the simplicity, quality & convenience factors. She summarized by highlighting that an ABA can work well if they are set up correctly and work with in the structure of the plan, fulfilling all disclosures and working for the benefit of the consumer.

Craig Haskins, Knight Barry Title Group, Milwaukee gave additional perspectives on Affiliated Business Arrangements concentrating on two main points: 1. Automatic disincentive to give a fair price 2. Lack of regulations. He quoted directly from published articles on the subject of ABAs throughout the country and emphasized HUD's 10 Step Plan. He summarized that the OCI should consider adopting the changes made at a federal level and that it made sense for Wisconsin to align themselves with the federal laws.

At the conclusion of the presentations, the floor was open for questions. The exchange of ideas and information was considerable.

The Commissioner stated that "his goal has always been to identify who is the consumer and how can we make the ultimate consumers (buyers and sellers) more aware?" He expressed his sincere appreciation for the input and information gathered from the Council, the ABA panel as well as the other persons in attendance. He again referred to the State of Washington fact sheet for consumers and suggested that a 1-2 page Wisconsin Fact Sheet be created to let consumers know what title insurance is. Comments and input are very welcome!

Annual Statewide Survey of Title Insurance Rates

Commissioner Dilweg told the Council that some states are doing surveys regarding rates. Discussion on how to perform this type of survey commenced. Everyone agreed that this task would be difficult and complicated. Commissioner Dilweg suggested that a smaller group be set up to work on this type of survey.

Title Agent Licensure: Who is required to be licensed?

Sue Ezalarab, OCI staff, presented the state statutes to answer the question "Who should be licensed". She added that OCI administers 16,000 insurance exams annually, approximately 200 are title insurance exams. She did not know how many persons hold title insurance licenses in the state. OCI Attorney Bob Luck contributed that there was no code of conduct incorporated into the Wisconsin statutes for title insurance licensees and that they contain "general marketing practices, nothing else". There are no licensing requirements for closers.

Review of Title Policy Exclusions

Lisa Petersen presented a comprehensive overview of Exclusions and Exceptions. Her presentation filled the final 45 minutes of the agenda.

Other Business

None

Next Meeting

February 13, 2008

These notes transcribed by Karen Gilster, Executive Officer of WLTA who was present at the meeting.