

CHAPTER 10

INSURANCE

HOUSE BILL 99-1057

BY REPRESENTATIVES Larson, Coleman, George, Kaufman, Kester, Lee, Mace, McKay, Spence, Stengel, Swenson, Takis, Tapia, Tate, Taylor, Vigil, Webster, S. Williams, Young, and Zimmerman;
also SENATOR Teck.

AN ACT

CONCERNING THE MODIFICATION OF THE LENGTH OF TIME FOR WHICH TITLE INSURANCE DOCUMENTS
MUST BE RETAINED.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 10-11-106 (1), Colorado Revised Statutes, is amended to read:

10-11-106. Determination of insurability required. (1) No policy or contract of title insurance shall be written unless and until the title insurance company has caused to be conducted a reasonable examination of the title and has caused to be made a determination of insurability of title in accordance with sound underwriting practices for title insurance companies. Evidence thereof shall be preserved and retained in the files of the title insurance company or its agent for a period of not less than ~~fifteen~~ SEVEN years after the policy or contract of title insurance has been issued. In lieu of retaining the original copy, the title insurance company, or the agent of the title insurance company, may, in the regular course of business, establish a system whereby all or part of these writings are recorded, copied, or reproduced by any photographic, photostatic, microfilm, microcard, miniature photographic, or other process which accurately reproduces or forms a durable medium for reproducing the original. This section shall not apply to either a company assuming no primary liability in a contract of reinsurance or a company acting as a coinsurer if one of the other coinsuring companies has complied with this section.

SECTION 2. 10-11-116 (4), Colorado Revised Statutes, is amended to read:

10-11-116. Title insurance agents licensed. (4) A licensed contractual agent of a title insurance company shall preserve and retain its closing and settlement services and escrow files for a period of not less than ~~five~~ SEVEN years after the closing, or

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

completion, of said files. In lieu of retaining the original files, a licensed contractual agent of a title insurance company may, in its regular course of business, establish a system whereby the files are recorded, copied, or reproduced by any photographic, microfilm, or other process which accurately reproduces or forms a durable medium for reproduction of the original files. Upon cessation of business by a contractual agent of a title insurance company the files shall be deposited with the division of insurance or with a title insurance company or licensed contractual agent of a title insurance company authorized by the division of insurance.

SECTION 3. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution; except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: March 10, 1999