



# News Flash

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JULY 17, 2006

## CEA NEWSFLASH

### DEPARTMENT OF INSURANCE PROPOSES REGULATIONS

Insurance Commissioner John Garamendi recently released proposed regulations relating to title and escrow rates. While the proposed regulations are very lengthy and complex, they include a proposed roll-back of title and escrow fees to their year 2000 levels, mandating approximate rate reductions of 25% for title and 27% for escrow. The proposals were not developed in consultation with our industry.

The proposed regulations raise a host of legal and policy issues. CEA is reviewing the proposals and coordinating our response with CLTA and other interested organizations. We will have more information for you as soon as possible.

Written responses to the Department of Insurance must be submitted by August 30, 2006, which is also the scheduled date for a hearing on the proposed regulations. Within the next two weeks we will likely be requesting every CEA member to draft a brief letter to the Department, incorporating message-points which we will provide. Please monitor your faxes and e-mails, and respond when requested, as this issue will be of the highest possible priority.

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