New law, with regard to the Louisiana Title Insurance Act, generally makes many nonsubstantive changes in the existing law by rewording and reorganizing Sections and parts of Sections, except as follows:

New law adds to the purpose the regulation of accounting, closing, and settlement practices of insurers and agents.

New law adds provisions to include title insurance on movable property to the Act and limits some provisions to affect only title insurance on immovable property.

New law adds the definition of "depository check" as defined by the federal Expedited Funds Availability Act.

New law provides that "settlement" includes the collection and disbursement of funds in a property transaction.

New law provides that a title insurance business includes issuing title insurance reports or policies and the collecting, disbursing, or receiving premiums, escrow, settlements, or other funds and recording closing documents.

New law adds that "title insurance policies" is a contract that includes affirmative assurances, enhancements to coverage or endorsements indemnifying against losses arising subsequently to the policy date including the priority of a lien over the lien of the insured mortgage.

New law requires title insurance policies and reports to be signed by an agent licensed in Louisiana.

New law requires title insurance agents to provide title insurers with all information requested that is in compliance with licensing requirements.

Existing law authorizes the Dept. of Insurance to conduct examinations and

New law prohibits the issuance of a title report if it is not intended to issue a title policy.

Prior law allowed termination of a contract with an agent when notice of cancellation is provided under the contract. New law instead provides for termination under the contract terms without notice.

Prior law provided that on notice of termination of the contract, the agent had to discontinue solicitations and underwriting activities. New law, instead, provides that on the effective date in the notice of termination, the agent shall discontinue doing title insurance business on behalf of the title insurer unless otherwise agreed to in writing by the insurer.

New law requires the agent to maintain an inventory of all numbered policy forms.

New law requires notice of termination of agent contract to be on a form promulgated by the department.

New law provides that when the agent fails to maintain a separate escrow account the insurer shall verify that the funds related to closings involving the insurer's policies are reasonably ascertainable from the books of the agent.

New law deletes prior law requirement that title insurers establish underwriting guidelines with their agents.

New law requires the agent or insurer to keep in the closing file, instead of an underwriting file, a copy of the signed notice required when no owner's title insurance policy has been requested.

New law provides that an insurer or agent may operate as a settlement agent instead of a security agent.

New law adds that for disbursement from an escrow account the funds may be a cashier's check or teller's check.