

## **BILL ANALYSIS**

Senate Research Center

S.B. 1306  
By: Harris  
Business & Commerce  
3/25/2001  
As Filed

### **DIGEST AND PURPOSE**

Current law provides that a title insurance company is authorized to delete areas and boundaries exception in a title policy form if the insured person provides a current survey. However, “current” is not defined in the statute. Procedural Rule P-2a provides that the title agent can accept an affidavit in lieu of a current survey in residential refinance transactions, if there is an existing survey no older than seven years of age. As proposed, S.B. 1306 provides that title agents should not rely on a survey over seven years of age in extending survey coverage, regardless of the type of property or transaction involved.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 1, Article 9, Insurance Code, by adding Article 9.21A, as follows:

Art. 9.21A. RELIANCE ON PRE-EXISTING SURVEYS. Requires a pre-existing survey to not be relied upon by a title insurance agent or company as current for purposes of survey coverage if the survey is older than seven years.

SECTION 2. Effective date upon passage or September 1, 2001.