

HOUSE BILL No. 4856

May 22, 1991, Introduced by Reps. Hoffman and Bartnik and referred to the Committee on Insurance.

A bill to amend section 7301 of Act No. 218 of the Public Acts of 1956, entitled as amended
"The insurance code of 1956,"
being section 500.7301 of the Michigan Compiled Laws; and to add section 7316.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7301 of Act No. 218 of the Public Acts
2 of 1956, being section 500.7301 of the Michigan Compiled Laws, is
3 amended and section 7316 is added to read as follows:

4 Sec. 7301. As used in this chapter:

5 (a) "Title insurance" means the insuring, guaranteeing, or
6 indemnifying of designated owners of real estate or any interest
7 ~~therein~~ IN REAL ESTATE against loss or damage ~~which~~ THAT may
8 result ~~by reason of~~ BECAUSE the title ~~being~~ IS vested in a
9 manner otherwise than as stated in the title insurance policy,

1 ~~or by reason of~~ BECAUSE the title ~~being~~ IS unmarketable, or
2 ~~by reason of~~ BECAUSE the title ~~being~~ IS subject to liens,
3 encumbrances, or other matters adversely affecting the rights of
4 use, enjoyment, or disposition ~~thereof~~ OF THE REAL ESTATE, and
5 not excepted in the policy, all in accordance with the terms of a
6 title insurance policy approved as to substance and form, or
7 doing anything equivalent in substance to any of the foregoing in
8 a manner designed to evade the provisions of this chapter.

9 (b) "Title insurer" means any domestic, foreign, or alien
10 insurer issuing title insurance, either directly or indirectly,
11 other than reinsurance or coinsurance or both as referred to in
12 section 7308, with respect to any real estate located in this
13 state.

14 (c) "Title insurance policy" means any policy or contract
15 insuring, guaranteeing, or indemnifying against loss or damage
16 suffered by owners of real estate or by other persons interested
17 ~~therein~~ IN THE REAL ESTATE by reason of liens, encumbrances
18 upon, defects in, or the unmarketability of the title to the real
19 estate, or other matters affecting the title to real estate or
20 the right to the use and enjoyment ~~thereof~~ OF THE REAL ESTATE,
21 and insuring, guaranteeing, or indemnifying the condition of the
22 title to real estate or the status of any lien ~~thereon~~ ON THE
23 REAL ESTATE.

24 (d) "Title insurance commitment" means a document issued by
25 a duly authorized title insurer offering to issue a title insur-
26 ance policy upon performance of the conditions set forth
27 ~~therein~~ IN THE DOCUMENT.

1 (E) "PROPERTY TITLE PROFILE REPORT" MEANS INFORMATION
2 REGARDING MATTERS OF PUBLIC RECORD AFFECTING LEGAL TITLE TO REAL
3 PROPERTY THAT SATISFIES BOTH OF THE FOLLOWING:

4 (i) IS PROVIDED TO A REAL PROPERTY OWNER OR TO A PERSON
5 LICENSED UNDER ARTICLE 25 OF THE OCCUPATIONAL CODE, ACT NO. 299
6 OF THE PUBLIC ACTS OF 1980, BEING SECTIONS 339.2501 TO 339.2515
7 OF THE MICHIGAN COMPILED LAWS, IN CONNECTION WITH THE MARKETING
8 OF REAL ESTATE.

9 (ii) IS PROVIDED ON THE FORM OF A COMMITMENT OF TITLE INSUR-
10 ANCE OR OTHER FORM.

11 SEC. 7316. A TITLE AGENCY OR INSURER MAY PROVIDE A PROPERTY
12 TITLE PROFILE WITHOUT RECEIPT OF PAYMENT OR CONSIDERATION OF ANY
13 KIND.