



Division of Insurance
Marcy Morrison
Commissioner of Insurance

Bill Ritter, Jr.
Governor

Barbara J. Kelley
Executive
Director

March 19, 2010

**RE: FILING FEES FOR OWNERSHIP AND ENCUMBRANCE REPORTS
PURSUANT TO REG 3-5-1**

Repealed and Repromulgated Regulation 3-5-1 goes into effect May 1, 2010. Of the new provisions being put into effect is a requirement that title entities charge for all ownership and encumbrance (O&E) reports. Because title entities are not allowed to charge for title insurance products unless they are shown on a currently effective schedule of rates or fees, it is expected by the Division that title entities file their fees for O&Es prior to use.

However, there have been a number of inquiries regarding timing of the filings. In August 2009, new statutory requirements went into effect, requiring the filing of justification for new or amended rates and fees to be submitted and received by the Division 30 days prior to use. This would mean that all filings for O&E reports must be received by April 1, 2010 in order to have a May 1, 2010 effective date.

In recognition that a two-week timeframe for preparing new fee filings may not be adequate, the Division is willing to work with companies trying to submit complying filings to meet the May 1, 2010 implementation date. To ensure this process will be completed as soon as possible, and with the least amount of confusion, the following conditions apply:

- **BEGINNING MAY 1, 2010, ALL TITLE ENTITIES MUST BEGIN CHARGING THEIR EXPECTED FEES FOR O&E REPORTS, REGARDLESS IF A FILING HAS BEEN SUBMITTED.**
- No later than June 1, 2010, all fee filings for O&E reports must be submitted to the Division including the new O&E report justification. **IF A FILING IS NOT SUBMITTED BY JUNE 1, 2010, THE TITLE ENTITY IS NO LONGER PERMITTED TO ISSUE O&E REPORTS.**
- Enforcement of the prohibitions against charging unfiled rates or fees **ONLY** as they pertain to O&E reports will begin June 1, 2010. All other prohibitions, including charging unfiled rates for products other than O&Es, remain in effect May 1, 2010.

This exception is in recognition that title entities operating in Colorado wish to comply fully with the new provisions of 3-5-1, and the desire of the Division to have its regulated community in full compliance as soon as possible. **NO OTHER EXCEPTIONS, REVISIONS, OR EXTENSIONS WILL BE GRANTED.**

If you have questions, please contact:

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