

## PROJECT HISTORY - 2003

### TITLE INSURANCE AGENT MODEL ACT (#230)

#### 1. What issues was the project intended to address?

On Feb. 1, 2001, the Kansas Insurance Department issued an opinion letter related to a request from a financial holding company asking whether certain provision of Kansas law were preempted by the Gramm-Leach-Bliley Act (GLBA). The opinion advised that certain portions of a Kansas law related to its controlled business provisions were preempted. A controlled business statute is one that limits the amount of business an agent can receive from a single source. It essentially means that any portion of a title insurance agent's business written that was referred to it by a producer of title insurance business or by an associate of the producer, where the producer or associate, or both, have a financial interest in the title insurance agent. A similar matter was referred by the Tennessee Department of Commerce and Insurance to the Tennessee Attorney General. In a similar fashion, the Tennessee Attorney General issued an opinion that certain Tennessee controlled business

