

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Buffy Wicks, Chair
AB 2198 (Michelle Rodriguez) – As Amended April 9, 2026

Policy Committee: Insurance

Vote: 17 - 0

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill revises the rate filing process for title insurers, underwritten title companies (UTCs), and controlled escrow companies (CECs).

Specifically, this bill:

- 1) Requires a title insurer to file its schedules of rates and forms of title policies with the Insurance Commissioner (IC), instead of more generally requiring every title insurer, UTC, and CEC to file its schedules of rates and forms of title policies to which such rates apply, and requires a title insurer that conducts escrow services to also file its schedule of escrow rates and other services.
- 2) Requires a UTC and CEC to each file its schedule of escrow rates and other services with the IC and prohibits a UTC from being required to file the title insurance rates or forms established by a title insurer.
- 3) Specifies the format for a filing by a title insurer, UTC, or CEC, and, for purposes of making a rate publicly available for at least 30 days before the rate may take effect, requires the rate schedule be directly accessible to the public on the title insurer's, UTC's, or CEC's website, instead of the office of the title insurer, UTC, or CEC in the county where the rate applies.
- 4) Provides that these provisions do not limit the authority of the IC to conduct a review of the existing rates of a title insurer, UTC, or CEC.

FISCAL EFFECT:

The Department of Insurance (CDI) anticipates no fiscal impact from this bill. This bill may result in potential cost savings to CDI by streamlining filing practices.

COMMENTS:

- 1) **Purpose.** According to the author:

AB 2198 clarifies California's title insurance regulatory framework by codifying long standing industry practices regarding rate filings. For decades, title insurers have filed rates associated with issuing title insurance policies, while [UTCs] have filed rates associated with escrow services. A recent interpretation by [CDI] has required entities

to file both their own rates and those of affiliated entities, creating duplicative filings, administrative inefficiencies, and confusion. This bill restores clarity by specifying that title insurers file title rates and UTCs file escrow rates.

This bill is supported by the California Land Title Association.

- 2) **Title Insurance.** Title insurance is underwritten by a title insurer, which sets the standards for evaluating title risks and assumes responsibility for the costs of any issues arising due to title defects subject to the insurance policy. In many cases, a title insurer works with a UTC, which essentially acts as an agent for the title insurer by performing the title search to assess risk and handling claims, among other tasks. Title insurers and UTCs also often work with, or act as, an escrow company, which holds assets during a transaction until agreed upon conditions are met by both parties and oversees the safe transfer of the title along with funds and other documents.

Existing law establishes a “file-and-use” rate regulation system for the title insurance industry, which requires each title insurer, UTC, and CEC to file its schedule of rates with the IC, who has the authority to reject those rates if deemed inappropriate. Under longstanding industry practice, each title insurer files its own title rates and each UTC that provides escrow services files its rates for escrow services. In 2025, CDI identified an alternative interpretation of this law as requiring each title insurer to file its own title rates and the escrow rates of a UTC acting as its licensed agent and each UTC to file its own rates for escrow services and the title rates of its underwriting title insurer. This bill modifies this law to reflect the longstanding industry practice, requires certain information be posted on a UTC’s website, and codifies another longstanding industry practice related to standardized policy forms.

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