SUBJECT: TITLE OPINIONS

It has come to the attention of this Department that it is the practice of some title insurance agents to issue title opinions, reports of title, title memos, equity reports or other documents which reflect the condition of the title which are not related to the issuance of a title insurance commitment or the sale of a title insurance policy. This practice is in violation of the Title Insurance Agent Act §44-19,108 (14), which defines a title insurance agent as an "authorized person, other than a bona fide employee of the title insurer, who, on behalf of the title insurer, performs the following acts in conjunction with the issuance of a title insurance commitment or title insurance policy..." (emphasis added). This practice is also in violation of the Abstracters Act §76-539 which prohibits individuals or business entities from engaging in the business of abstracting unless a certificate of authority has been issued to such individual or business entity.

The Department will enforce the provisions of the Title Insurance Agent Act when these complaints are received. Any agent engaging in this activity will be subject to the penalties provided in §44-19,120 and §44-19,121 of the Title Insurance Agent Act which include a penalty not exceeding one thousand dollars ($1,000) for each violation and revocation or suspension of the title insurance agent's license, penalties under the Unfair Trade Practices Act, and any other penalties available under the insurance laws of the State of Nebraska.