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INDEPENDENT REGULATORY REVIEW COMMISSION
333 MARKET STREET, 14TH FLOOR, HARRISBURG, PA 17101

May 20, 1999

Honorable M. Diane Koken, Commissioner
Insurance Department
1326 Strawberry Square
Harrisburg, PA 17120

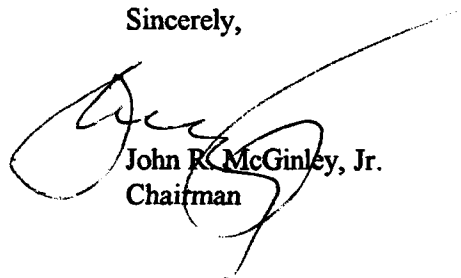
Re: IRRC Regulation #11-175 (#1984)
Insurance Department (Tolled 5/4/99)
Title Insurance Rebates

Dear Commissioner Koken:

The Independent Regulatory Review Commission approved the subject regulation at its May 20, 1999 public meeting. Our Order is enclosed and is available on our website at <http://www.irrc.state.pa.us>.

We appreciate the joint effort that went into producing a regulation that met the criteria and intent of the Regulatory Review Act.

Sincerely,



John R. McGinley, Jr.
Chairman

JRM:cae
Enclosure
cc: Pete Salvatore

INDEPENDENT REGULATORY REVIEW COMMISSION

14th Floor, 333 Market Street
Harrisburg, PA 17101

Commissioners Present:

Public Meeting Held May 20, 1999

John R. McGinley, Jr., Chairman
Alvin C. Bush, Vice Chairman
Arthur Coccodrilli
John F. Mizner

Insurance Department
Title Insurance Rebates

Regulation No. 11-175

BY ORDER OF THE COMMISSION

On September 14, 1998, the Independent Regulatory Review Commission (Commission) received this proposed regulation from the Insurance Department (Department). This rulemaking amends 31 Pa. Code Chapter 125. The authority for this regulation is 40 P.S. § 910-30. The proposed regulation was published in the September 26, 1998 *Pennsylvania Bulletin* with a 30-day public comment period. The final-form regulation was submitted to the Commission on April 28, 1999. On May 4, 1999, the Commission received a request from the Department to toll consideration of this final-form regulation to correct the annex for consistency with the *Pennsylvania Code*. On May 4, 1999, the Department submitted its revisions to the final-form regulation to the Commission.

The proposed regulation removes prohibitions against rebating and inducement activities associated with title insurance transactions. The prohibitions, established by Department regulations in 1968, no longer have a statutory basis. The section of law that authorized the current regulatory prohibitions was repealed and replaced by Act 79 of 1995 (Act 79).

We have reviewed the revised final-form regulation and find it to be in the public interest. This proposal will delete provisions that are inconsistent with the new requirements under Act 79.

THEREFORE, IT IS ORDERED THAT:

1. Regulation No. 11-175 from the Insurance Department, as revised on May 4, 1999, is approved; and
2. The Commission will transmit a copy of this Order to the Legislative Reference Bureau.


John R. McGinley, Jr., Chairman

