



COMMONWEALTH OF PENNSYLVANIA  
OFFICE OF ATTORNEY GENERAL

March 16, 2009

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Mr. Chuck Romberger  
Director, Property & Casualty Bureau  
Office of Insurance Product Regulation and Market Enforcement  
Pennsylvania Insurance Department  
1311 Strawberry Square  
Harrisburg, PA 17120

Dear Mr. Romberger:

We have reviewed the February 2<sup>nd</sup> filing made by the Title Insurance Rating Bureau of Pennsylvania (hereinafter "Bureau") and object to the changes sought. By this Objection, the Pennsylvania Office of Attorney General requests that formal Administrative Action be taken before the filing becomes final. Additionally, based on its initial review of the Bureau's filing and supporting documentation, the Office of Attorney General believes that title insurance rates should be substantially reduced.

The Bureau seeks to increase two different types of rates: (1) rates that are not subject to agent's commissions and go directly to the underwriter in Pennsylvania – that's primarily four companies); and (2) rates subject to agent's commissions.

The Bureau asserts that the changed economic environment in Pennsylvania and the United States no longer requires a rate structure that applies multiple complex discounts. These discounts in Pennsylvania include "reissue" discounts, discounts for a new loan policy on a property with a previous policy and "refinance" discounts for loan policies on previously insured loans which are being refinanced. The Bureau proposes to collapse all rates into a "sale" and "non-sale" rate, which will increase rates to many consumers.

Additionally, the Bureau seeks to increase the cost of the Closing Service Letter by more than 100%. The Bureau asserts that this rate overhaul and rate increase is