

No. 2025-9697

**Official Order
of the
Texas Commissioner of Insurance**

Date: 12/19/2025

Subject Considered:

Title Insurance Basic Premium Rates Hearing
Docket No. 2858

General Remarks and Official Action Taken:

This order's subject is the consideration of the title insurance basic premium rates. Under Insurance Code § 2703.206, the commissioner may order a public hearing to consider adoption of premium rates. The commissioner sets the title insurance basic premium rates by order following a public hearing. After consideration of each matter presented in writing and orally at a public hearing, the commissioner fixes a new title insurance premium rate.

The following findings of fact and conclusions of law are adopted.

Findings of Fact

1. Texas law requires the commissioner of insurance to assess and set title insurance rates to be used by all title insurance companies and title insurance agents.
2. On September 17, 2025, the Texas Department of Insurance (TDI) published its September 2025 Title Rate Report on its website. The report includes rate indications based on title experience data ending in calendar year 2024, ranging from -6.2% to -14.9%.
3. TDI held two informal public meetings to discuss title insurance basic premium rates on September 22 and 30, 2025. The Office of Public Insurance Counsel (OPIC), Texas Land Title Association (TLTA), and Texans for Free Enterprise (TFE) participated in the meetings. During those meetings, both OPIC and TLTA recommended a 6.2% reduction to the title insurance basic premium rates.
4. TDI issued a notice of public hearing under Insurance Code § 2703.206. The notice was posted on TDI's website on October 1, 2025, and published in the October 10, 2025, issue of the *Texas Register* (50 TexReg 6713). The notice included that the

commissioner would consider a reduction of 6.2% to the title insurance basic premium rates that would go into effect March 1, 2026.

5. On December 12, 2025, the commissioner conducted a public hearing (Docket No. 2858) under Insurance Code § 2703.202(c). Interested people attended the hearing and had the opportunity to present written and oral testimony. TDI staff, TLTA, OPIC, and TFE presented their positions, analyses, and rate calculations.
6. Under Insurance Code § 2703.153, TDI collects data from the title industry that it uses to fix premium rates. The data reflects the income and expenses experienced by title insurance companies and title insurance agents engaged in the business of title insurance in Texas.
7. TDI collected data through 2024 from approximately 30 underwriters and 700 title insurance agents. The data was published in two reports: the Texas Title Insurance Agent Experience Report Compilation and the Texas Title Insurance Industry Experience Report Compilation.
8. TDI's September 2025 Title Rate Report applies the *loss ratio method* to the data from the compilation reports to determine whether a change to the basic premium rates is indicated. The loss ratio method takes into account the title industry's expense ratio, the loss and loss adjustment expense (LAE) ratio, the catastrophe loss provision, and the profit provision.¹
 - a. To determine the expense ratio, expenses related to the business of title insurance are divided by the amount of premium collected. The expense ratio provides for all reasonable costs associated with a title insurance policy, other than profits and losses.
 - b. To determine the loss and LAE ratio, losses and loss adjustment expenses are divided by the amount of premium collected.
 - c. The catastrophe loss provision is selected to account for the possibility of the market experiencing widespread losses that are significantly higher than what has been experienced historically.

¹ The formula for the rate indication using the loss ratio method is:

$$[(L+E+C)/(1-P)] - 1$$

where L = loss and loss adjustment expense ratio (losses and LAE/premium); E = expense ratio (expenses/premium); C = catastrophe loss provision; and P = underwriting profit provision (profit/premium).

- d. To determine the profit provision, returns from investments are subtracted from the target cost of capital and then adjusted for the industry's premium-to-capital leverage ratio.
- 9. The loss ratio method calculations for multiple experience periods ending in 2024 indicate that title insurance basic premium rates could be decreased and still yield reasonable profits for the industry. The rate indications using 5-, 10-, 15-, and 20-year periods ending in 2024 yield rate reductions of 14.9%, 11.1%, 9.7%, and 6.2%, respectively.
- 10. Given the fluctuations in the title insurance industry between 2005 and 2024, a rate indication that includes an 11.1% profit margin and a 20-year look-back period should yield a nonconfiscatory rate of return for title insurance companies and title insurance agents and result in a rate that is reasonable as to the public.
- 11. When using a 2005–2024 review period, with an 80.0% expense ratio, a 1.00% catastrophe loss provision, and an 11.1% profit provision, the resulting indication is a 6.2% rate reduction.
- 12. Current Texas title insurance basic premium rates are found in the *Basic Manual of Rules, Rate, and Forms for the Writing of Title Insurance in the State of Texas*. The attached Exhibit A shows the Texas title insurance basic premium rates with 6.2% reduction. Exhibit A will replace the current rate pages in the *Basic Manual* once the new rate goes into effect.

Conclusions of Law

- 1. The commissioner has jurisdiction over this matter under Insurance Code §§ 31.021, 2501.001–2501.008, 2551.003, and Chapter 2703.
- 2. TDI gave proper and timely notice of the December 12, 2025, public hearing required by Insurance Code § 2703.207.
- 3. Insurance Code § 2501.002 states that the purpose of the Texas Title Insurance Act is "to completely regulate the business of title insurance . . . to protect consumers and purchasers of title insurance policies and provide adequate and reasonable rates of return for title insurance companies and title insurance agents."
- 4. Insurance Code § 2703.151 requires the commissioner to fix and promulgate the premium rates to be charged by title insurance companies and title insurance agents.

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5. Insurance Code § 2703.152 states that when fixing premium rates, the commissioner must "consider all relevant income and expenses of title insurance companies and title insurance agents attributable to engaging in the business of title insurance." The premium rates must be "reasonable as to the public and nonconfiscatory as to title insurance companies and title insurance agents."
6. After considering all information submitted and discussed at the hearing under Docket No. 2858, the commissioner has determined that a 6.2% reduction in the title insurance basic premium rates, as reflected in the attached Exhibit A, takes all relevant income and expenses into account, is reasonable to the public, and is nonconfiscatory to title insurance companies and agents.

Order

It is ordered that, effective March 1, 2026, title insurance companies and title insurance agents must use the basic premium rates reflected in Exhibit A.

Until March 1, 2026, the basic premium rates will continue to follow Commissioner Order No. 2019-5980.

Signed by:

FC5D7EDDFBB4F8...
Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:

Signed by:

70ABE377123E401...
Mark Worman, Deputy Commissioner

Signed by:

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Jessica Barta, General Counsel

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Exhibit A

TEXAS TITLE INSURANCE PREMIUM RATES

Rates Effective March 1, 2026

Premium for Policy Face Amount Up to \$100,000

Policy Face Amount Up to and Including	Basic Premium	Policy Face Amount Up to and Including	Basic Premium	Policy Face Amount Up to and Including	Basic Premium	Policy Face Amount Up to and Including	Basic Premium
\$25,000	\$308	\$44,000	\$428	\$63,000	\$547	\$82,000	\$667
25,500	310	44,500	431	63,500	551	82,500	672
26,000	314	45,000	434	64,000	554	83,000	675
26,500	317	45,500	437	64,500	557	83,500	677
27,000	319	46,000	440	65,000	560	84,000	680
27,500	322	46,500	444	65,500	563	84,500	684
28,000	325	47,000	446	66,000	567	85,000	687
28,500	328	47,500	448	66,500	571	85,500	689
29,000	333	48,000	453	67,000	574	86,000	692
29,500	336	48,500	457	67,500	575	86,500	697
30,000	339	49,000	460	68,000	579	87,000	701
30,500	341	49,500	462	68,500	582	87,500	703
31,000	345	50,000	465	69,000	585	88,000	705
31,500	348	50,500	468	69,500	588	88,500	709
32,000	351	51,000	470	70,000	592	89,000	713
32,500	355	51,500	474	70,500	596	89,500	715
33,000	357	52,000	478	71,000	599	90,000	718
33,500	361	52,500	482	71,500	601	90,500	721
34,000	364	53,000	484	72,000	604	91,000	725
34,500	368	53,500	488	72,500	608	91,500	729
35,000	371	54,000	491	73,000	611	92,000	731
35,500	373	54,500	493	73,500	613	92,500	734
36,000	376	55,000	496	74,000	617	93,000	737
36,500	380	55,500	499	74,500	621	93,500	741
37,000	383	56,000	504	75,000	625	94,000	742
37,500	386	56,500	507	75,500	627	94,500	747
38,000	390	57,000	509	76,000	629	95,000	751
38,500	393	57,500	513	76,500	632	95,500	754
39,000	395	58,000	517	77,000	636	96,000	755
39,500	399	58,500	519	77,500	639	96,500	759
40,000	401	59,000	522	78,000	643	97,000	763
40,500	406	59,500	525	78,500	646	97,500	766
41,000	408	60,000	529	79,000	650	98,000	769
41,500	412	60,500	533	79,500	651	98,500	773
42,000	415	61,000	536	80,000	655	99,000	776
42,500	418	61,500	537	80,500	658	99,500	779
43,000	420	62,000	541	81,000	662	100,000	780
43,500	424	62,500	545	81,500	664		

Premium Calculation for Policies in Excess of \$100,000

Using the table below, apply these steps to determine basic premium for policies over \$100,000:

Step 1 In column (1), find the range that includes the policy's face value.
Step 2 Subtract the value in column (2) from the policy's face value.
Step 3 Multiply the result in Step 2 by the value in column (3), and round to the nearest dollar.
Step 4 Add the value in column (4) to the result of the value from Step 3.

(See examples following the table.)

Title Basic Premium Calculation for Policies in Excess of \$100,000

(1)	(2)	(3)	(4)
Policy Range	Subtract	Multiply by	Add
[\$100,001 - \$1,000,000]	100,000	0.00494	\$780
[\$1,000,001 - \$5,000,000]	1,000,000	0.00406	\$5,226
[\$5,000,001 - \$15,000,000]	5,000,000	0.00335	\$21,466
[\$15,000,001 - \$25,000,000]	15,000,000	0.00238	\$54,966
[\$25,000,001 - \$50,000,000]	25,000,000	0.00143	\$78,766
[\$50,000,001 - \$100,000,000]	50,000,000	0.00129	\$114,516
[Greater than \$100,000,000]	100,000,000	0.00116	\$179,016

Examples for Policies in Excess of \$100,000

Example 1:

(1) Policy is \$268,500
(2) Subtract \$100,000 ==> \$268,500 - \$100,000 ==> Result = \$168,500
(3) Multiply by 0.00494 ==> \$168,500 x 0.00494 ==> Result = \$832
(4) Add \$780 ==> \$832 + \$780 ==> Final Result = \$1,612

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Example 2:

- (1) Policy is \$4,826,600
- (2) Subtract \$1,000,000 ==> \$4,826,600 - \$1,000,000 ==> Result = \$3,826,600
- (3) Multiply by 0.00406 ==> \$3,826,600 x 0.00406 ==> Result = \$15,536
- (4) Add \$5,226 ==> \$15,536 + \$5,226 ==> Final Result = \$20,762

Example 3:

- (1) Policy is \$10,902,800
- (2) Subtract \$5,000,000 ==> \$10,902,800 - \$5,000,000 ==> Result = \$5,902,800
- (3) Multiply by 0.00335 ==> \$5,902,800 x 0.00335 ==> Result = \$19,774
- (4) Add \$21,466 ==> \$19,774 + \$21,466 ==> Final Result = \$41,240

Example 4:

- (1) Policy is \$17,295,100
- (2) Subtract \$15,000,000 ==> \$17,295,100 - \$15,000,000 ==> Result = \$2,295,100
- (3) Multiply by 0.00238 ==> \$2,295,100 x 0.00238 ==> Result = \$5,462
- (4) Add \$54,966 ==> \$5,462 + \$54,966 ==> Final Result = \$60,428

Example 5:

- (1) Policy is \$39,351,800
- (2) Subtract \$25,000,000 ==> \$39,351,800 - \$25,000,000 ==> Result = \$14,351,800
- (3) Multiply by 0.00143 ==> \$14,351,800 x 0.00143 ==> Result = \$20,523
- (4) Add \$78,766 ==> \$20,523 + \$78,766 ==> Final Result = \$99,289

Example 6:

- (1) Policy is \$75,300,200
- (2) Subtract \$50,000,000 ==> \$75,300,200 - \$50,000,000 ==> Result = \$25,300,200
- (3) Multiply by 0.00129 ==> \$25,300,200 x 0.00129 ==> Result = \$32,637
- (4) Add \$114,516 ==> \$32,637 + \$114,516 ==> Final Result = \$147,153

Example 7:

- (1) Policy is \$151,250,300
- (2) Subtract \$100,000,000 ==> \$151,250,300 - \$100,000,000 ==> Result = \$51,250,300
- (3) Multiply by 0.00116 ==> \$51,250,300 x 0.00116 ==> Result = \$59,450
- (4) Add \$179,016 ==> \$59,450 + \$179,016 ==> Final Result = \$238,466