



Rep. Ron Sandack

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09800HB4677ham001

LRB098 17406 RPM 55649 a

1 AMENDMENT TO HOUSE BILL 4677

2 AMENDMENT NO. _____. Amend House Bill 4677 by replacing
3 everything after the enacting clause with the following:

4 "Section 5. The Title Insurance Act is amended by changing
5 Section 26 as follows:

6 (215 ILCS 155/26)

7 Sec. 26. Settlement funds.

8 (a) A title insurance company, title insurance agent, or
9 independent escrowee shall not make disbursements in
10 connection with any escrows, settlements, or closings out of a
11 fiduciary trust account or accounts unless the funds in the
12 aggregate amount of \$50,000 or greater received from any single
13 party to the transaction are good funds as defined in
14 paragraphs (2), (6), or (7) of subsection (c) of this Section;
15 or are collected funds as defined in subsection (d) of this
16 Section.

1 For the purposes of this subsection (a), where funds in the
2 aggregate amount of \$50,000 or greater are received from any
3 purchaser of residential real property, as defined in paragraph
4 (14) of Section 3 of this Act, the aggregate amount may consist
5 of good funds of less than \$50,000 per paragraph, as defined in
6 paragraphs (3) and (5) of subsection (c) of this Section and of
7 up to \$5,000 in good funds, as defined in paragraph (4) of
8 subsection (c) of this Section.

9 (a-5) In addition to the good funds disbursement
10 authorization set forth in subsection (a) of this Section, a
11 title insurance company, title insurance agent, or independent
12 escrowee is authorized to make disbursements in connection with
13 any escrows, settlements, or closings out of a fiduciary trust
14 account or accounts where the funds in the aggregate amount of
15 \$50,000 or greater are received from any single party to the
16 transaction if:

17 (1) the funds are transferred by a cashier's check,
18 teller's check, or certified check, as defined in the
19 Uniform Commercial Code, that is drawn on or issued by a
20 financial institution, as defined in this Act;

21 (2) the title insurance company, title insurance
22 agent, or independent escrowee and the financial
23 institution, as defined in this Act, ~~are known to each~~
24 ~~other and~~ agree to the use of cashier's checks, teller's
25 checks, or certified checks to disburse the loan and
26 related closing costs being funded by the financial

1 institution as good funds under item (3) of subsection (c)
2 of this Section; and

3 (3) the cashier's check, teller's check, or certified
4 check is delivered to the title insurance company, title
5 insurance agent, or independent escrowee in sufficient
6 time for the check to be deposited into the title insurance
7 company's, title insurance agent's, or independent
8 escrowee's fiduciary trust account prior to disbursement
9 from the fiduciary trust account of the title insurance
10 company, title insurance agent, or independent escrowee.

11 ~~The provisions of this subsection (a-5) are inoperative on~~
12 ~~and after January 1, 2015.~~

13 (b) A title insurance company or title insurance agent
14 shall not make disbursements in connection with any escrows,
15 settlements, or closings out of a fiduciary trust account or
16 accounts unless the funds in the amount of less than \$50,000
17 received from any single party to the transaction are collected
18 funds or good funds as defined in subsection (c) of this
19 Section.

20 (c) "Good funds" means funds in one of the following forms:

21 (1) lawful money of the United States;

22 (2) wired funds unconditionally held by and credited to
23 the fiduciary trust account of the title insurance company,
24 the title insurance agent, or independent escrowee;

25 (3) cashier's checks, certified checks, bank money
26 orders, official bank checks, or teller's checks drawn on

1 or issued by a financial institution and unconditionally
2 held by the title insurance company, title insurance agent,
3 or independent escrowee;

4 (4) a personal check or checks in an aggregate amount
5 not exceeding \$5,000 per closing, provided that the title
6 insurance company, title insurance agent, or independent
7 escrowee has reasonable grounds to believe that sufficient
8 funds are available for withdrawal in the account upon
9 which the check is drawn at the time of disbursement;

10 (5) a check drawn on the trust account of any lawyer or
11 real estate broker licensed under the laws of any state,
12 provided that the title insurance company, title insurance
13 agent, or independent escrowee has reasonable grounds to
14 believe that sufficient funds are available for withdrawal
15 in the account upon which the check is drawn at the time of
16 disbursement;

17 (6) a check issued by this State, the United States, or
18 a political subdivision of this State or the United States;
19 or

20 (7) a check drawn on the fiduciary trust account of a
21 title insurance company or title insurance agent, provided
22 that the title insurance company, title insurance agent, or
23 independent escrowee has reasonable grounds to believe
24 that sufficient funds are available for withdrawal in the
25 account upon which the check is drawn at the time of
26 disbursement.

1 (d) "Collected funds" means funds deposited, finally
2 settled, and credited to the title insurance company, title
3 insurance agent, or independent escrowee's fiduciary trust
4 account.

5 (e) A purchaser, a seller, or a lender is each considered a
6 single party to the transaction for the purposes of this
7 Section, regardless of the number of people or entities making
8 up the purchaser, seller, or lender.

9 (Source: P.A. 98-387, eff. 8-16-13.)

10 Section 99. Effective date. This Act takes effect upon
11 becoming law."