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Escrow Institute of California Protests Commissioner Garamendi Regulations

Sacramento, CA – The Escrow Institute of California (EIC) today joined hundreds of escrow professionals from around the state to protest Department of Insurance Commissioner John Garamendi’s proposed government regulations. These regulations, announced by Commissioner Garamendi in July, could force hundreds of small, local businesses to close their doors and destroy thousands of local jobs by forcing them to arbitrarily reduce their rates by 27 percent.

“I’m here today to express my outrage at Insurance Commissioner John Garamendi, who for the past year has been trying to impose costly new regulations that would make it impossible for me – and hundreds of other escrow companies – to stay in business in California,” said P.J. Garcia, Chairwoman of EIC. Garcia appeared today at a protest held during the annual convention of the Escrow Association of California.

“If Commissioner Garamendi’s regulations become law, there will be less competition and less diversity of competition available to consumers. The existence of licensed escrow companies in the marketplace requires all escrow practitioners to compete with the high standards of consumer protection required under the California Escrow Law. Eliminating us will mean fewer choices of quality services available to homebuyers. The consumers most likely to suffer are those newcomers to the marketplace. These consumers especially benefit from having a local community escrow company who can meet their special needs.

“Commissioner Garamendi’s regulations completely ignore the needs of California’s diverse population. He should spend less time issuing press releases and more time talking to the industries he will affect so he can better understand the impact his regulations will have on our businesses and on consumers,” said Garcia.

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Established in 1947, the Escrow Institute of California is a professional trade association that represents the licensed, independent escrow industry in California. EIC members are licensed by the California Department of Corporations, undergo background checks and fingerprinting by the Department of Justice and are bonded by the Escrow Agents’ Fidelity Corporation. Many EIC members are community-based, family-owned, small business enterprises with a customer base that is predominantly repeat business and referral based. For additional information, please visit the EIC website at <http://www.escrowinstitute.org/>.