

National Home Service Contract Association

Annual Regular Board Meeting

ZOOM Video Conference

Thursday, June 11, 2020

1:30 PM CDT

Member Roll Call:

2-10 HBW

Jacqui Crockett, Lindsay Iten

American Home Protect

Corinne Maples (**THSCA President**)
Ashley Altick

America's Preferred Home Warranty

Rodney Martin (**Sec/Treasurer**)
Phil West

American Water Resources/Pivotal Home Solutions

Meghan Boyle

Cinch Home Services

John Walsh (**President**)

Fidelity National Home Warranty

Lorna Mello
Adrienne Giacalone

First American Home Warranty

Jeff Powell, Zach Zaherek

Frontdoor Group

Tom Courtney, Mark Celichowski

- *AHS*
- *HSA*
- *Landmark*
- *OneGuard*

HomeGuard Home Warranty

Robert Hessling, (**CHSCA President**)
Jim Hessling

HomeServe USA Group

Jonathan Seem, Scott Paris

- *AHG Home Warranty*
- *HomeServeUSA*
- *Nations Home Warranty*
- *Service Line Warranties of America*

Home Warranty of America/Direct Energy

Paolo Berard, Michael Longoria
Urusa Nawaz

Old Republic Home Protection

Gwen Gallagher, Frank Caballero,
Chris Wasson (**Vice-President**)

Absent:

Universal Home Protection

James Imhoff

New Member Guests:

AFC Home Club

Randy Reis, Kristin Lewis

Staff: Art Chartrand, NHSCA Executive Director & Counsel
Joy Moore, NHSCA Manager

Guests: David Childers, Kutak Rock, AZ Lobbyist
Mike Belote, California Advocates, CA Lobbyist
David Parker, Longbow Partners, TX Lobbyist
Scott Shorter, Concera Media, NHSCA Web Vendor
Ken Trepeta, RESPRO
Mark Lightfoot, Special Guest for social hour

Meeting call to order – Walsh

Newly elected President John Walsh called the meeting to order and welcomed all attendees.

Member Appreciation Gift

Special NHSCA embossed name plates were sent to each member.

Compliance Wallchart – Chartrand

Chartrand had the current NHSCA compliance chart assembled into a wall chart and mailed one to each member. If members like them, staff will update and may then send a plastic coated update annually. This chart is always a work in progress, to be freely corrected or added to.

Treasurer's Report – Martin

The balance as of June 1, 2020 in the general fund is \$70,667.29. The State fund balance is \$66,046.80. Of the latter amount, \$75,521.81 is in the reserve fund. The Association is in the negative and has dipped into the reserve fund \$9,475.01. It will be necessary to assess members as indicated on the Motion for Assessments page in the e-binder. The assessment will bring the State Fund to \$178,046.80 once all payments are received. This will keep the Association current for the next twelve months unless new efforts and lobbying expense arise.

NHSCA Proposed Budget

Chartrand noted the management fee and 2-year contract for Chartrand Legal Management will not increase for 2020-2022. We have provided a resource in the budget for a part-time attorney at \$30K annual salary here locally in Kansas City that would strictly work on laws, legislation and regulation and have daily contact with insurance departments, TREC, etc. This addition will bring a valuable resource to the NHSCA.

A motion to approve the Treasurer's Report which includes the general and state fund accounts, along with a motion for assessment for California, Nevada & Texas and the NHSCA proposed budget was made by Martin and second by Crockett. The motion passed unanimously.

Monthly Call Summaries

The summary for the May 7 monthly call was included in the e-binder. Chartrand reminded members, following the calls, a summary is emailed to each member and posted under the member log-in area of the website.

Membership

Jonathan Seem thanked the Association for their new granite membership plaque. HomeServe USA out of Norwalk, CT is one of newest member of the Association. HomeServe is based in the UK and operates internationally. Seem has been with the company for 6 years. HomeServe has a large presence in the US with approximately 7.5 M plans that include home service contracts, water and energy utilities and municipalities.

Randy Reis and Kristin Lewis with AFC Home Club out of Marietta, GA joined the meeting today to introduce themselves and their company to the Association. AFCHC came into the home service contract space in 2010 after being in the automotive sector. They offer standard home plans. Their application for membership was submitted in May. Motion by Martin to accept, second by Mello, no further discussion. The motion was unanimously approved.

Both a copy of the new member application and letter are in the e-binder. Chartrand noted a paragraph has been added to the letter regarding the accreditation policy for new members. More discussion on accreditation will be discussed under new business and the letter will reflect the final decision.

Moore requested state assessment reporting forms electronically this year. All forms should be emailed to Moore at joylmoore@mac.com. Companies with states that have 100 contracts or more in force are assessed for lobbying efforts in that state and pay membership dues accordingly. States with less than 100 contracts will be listed on the website.

Chartrand reminded members to contact prospective NHSCA members (list of contact information is in the e-binder). These are companies we are pursuing for membership. If any members have any additions, please let us know.

Chartrand reminded members there is a non-member database on the NHSCA website under the member log-in area. All members have access to it. We continue to update. Chartrand reminded members this is also a part of our fraud prevention.

A current member contact list was included in the meeting binder. Moore requested members contact her with any additions or corrections.

National Meeting & Expos

Next year's national meeting is set for June 17, 2021 and will be held in Boothbay Harbor, Maine at the Spruce Point Inn. For new members, our meetings start with dinner and a reception the day before the meeting with a special event following on the day after. All members are encouraged to bring family and stay over to enjoy the area. The actual meeting schedule could change depending on how the NHSCA Advisory Council decides to layout their new planned symposium.

Staff will attend the TAR Expo on September 3, 2020 in San Antonio. They may attend the Nevada Expo September 30, 2020 in Las Vegas. No other expos will be attended in 2020 mainly because of the Covid world restrictions.

Market Data Collection Reports

A revised data collection proposal was included in the e-binder regarding reporting whole home contracts with HVAC, appliances no HVAC and other limited plans. After considerable discussion, a committee was formed to further discuss how the Association collects data. The committee is comprised of Gallagher (Chair), Mello, Palm and Celichowski. There was no motion to change the report at this time.

Prior market data collection summary reports from years 2015-2019 were emailed prior to the meeting to all participating members.

Communications

Google Analytics – Scott Shorter, Concera Media

Analytics for May 2019 – May 2020 are located in the meeting e-binder. There was a decrease in referred users from Google organic searches. The number one driver for organic searches includes press releases and new articles. A high-value article that indexes well in searches will picked up a lot of traffic which helps the search ranking. Shorter suggested the Association post some new releases this year and members create backlinks to the NHSCA and vice versa to help the SEO ranking.

Twitter Acct: @coveryourhome is active. Chartrand posts periodically.

Corporate Business

The current Dec page effective 2020-2021 was provided in the e-binder for the NFP Organizational Liability Coverage.

The NHSCA tax return is being prepared by API Partners in Gardner, KS.

Executive Director transition update was provided by Chartrand. He reported that due to changes brought on by Covid-19 and the unavailability of the preferred new Exec until at least mid 2021, he planned to remain in his current role until at least mid 2021.. Chartrand stated that he remained 100% committed to keeping the NHSCA in its upward trajectory and avoid any gaps in leadership or momentum. The officers and members indicated their approval and appreciation and support.

Old Business

Mark Celichowski will continue to act as liaison between NHSCA and SCIC.

The NHSCA adopted policies and procedures are in the e-binder. This provides a history for future reference.

NHSCA Counsel Committee had a very brief existence. It did not appear to meet any real needs, so it is being disbanded.

Chartrand continues to maintain fraud efforts with the various state regulators and enforcement bureaus.

New Business

After extensive review and feedback of their remote audit and binder, CLM, Inc recommended First American Home Warranty for Accreditation for the next 5 years. A motion by Martin and second by Walsh to approve the accreditation. There was no further discussion and the motion passed unanimously.

The NHSCA Accreditation Program requirements were reviewed. A motion by Martin was made to disregard any deadline and make accreditation voluntary for new members. Seconded by Paris. The motion passed.

Advisory Council Discussion

Martin briefly summarized the half hour informal presentation made by Randy Whitehead at the start of the meeting. A motion was made by Martin and seconded by Mello to approve the proposal to form the NHSCA Advisory Council charged with identifying and studying important issues facing the industry and recommending appropriate response action. Three members abstained. They are America Water Resources, HomeServe USA and HomeGuard Home Warranty. The motion passed.

State Contractor Board Issues

The NHSCA takes a strong stance against regulation by state contractor boards.

We have fought this off successfully in **Nevada, Washington State** and in **California** back in 2011. Our position is we are not contractors under the intent of the statutes. Just because the law or regulations may allow them to regulate those who “arrange for” home repair or remodeling, those provisions were not intended for au any more than they were intended to apply to State Farm insurance Company.

We are already regulated by other state agencies. We agree to only hire state licensed contractors so no reason to double up on us. We have a good, recent legal decision in Washington State if you need a copy.

We recently have been assisting one member again in California and appear we may have it resolved. The main lesson is do not claim to be a “contractor” any more than claiming to be an “insurer.”

If you receive any inquiry from a state contractor board, please advise NHSCA staff immediately. We can help you.

RESPRO Report

Ken Trepeta, Exec Director of RESPRO gave a brief report on the status of affairs in Washington D.C.

The Affairs of States: *Regulatory and Legislative Review – Chartrand*

Full reports from the following are in the e-binder materials

Arizona David Childers, Kutak Rock, AZ Lobbyist

California (CHSCA) Mike Belote, California Advocates, CA Lobbyist

Texas (THSCA) David Parker, Longbow Partners, TX Lobbyist

Other States – Chartrand regarding CO, LA, FL, NV

Walsh concluded the meeting by thanking all members. Chartrand thanked all members for their support while noting that it continues to be an honor and privilege for he and Joy Moore to work with so many fine people.

Next Monthly Conference Call Thursday, July 2 @ 2:30 pm CDT.

Upon motion to adjourn by Mello second by Powell, the meeting adjourned at 4:30 PM CDT.