

NHSCA Monthly Update
Thursday, March 4, 2021 at 2:30 pm CST

2-10: Jacqui Crocket, Lindsay Iten

American Home Protect: Corinne Maples, Ashley Altick

APHW: Rodney Martin, Phil West

Cinch: Sloane Levy

Fidelity: Adrienne Giacolone

First American Home Warranty: Andy Hand, Zach Zaharek

Frontdoor Group: Katie Mason, Stephen Bracy

Old Republic Home Protection: Gwen Gallagher, Frank Caballero

HWA/Direct Energy: Paolo Berard, Michael Longoria

NHSCA Staff: Art Chartrand, Joy Moore
Travis Moore, Sr. Legislative & Regulatory Counsel

Roll call was taken, and a quorum was present.

National Meeting Update (June 16-18, 2021- The Spruce Point Inn, Boothbay Harbor, ME)

A rough draft of the meeting agenda was sent via email to all members on February 10. It was recommended everyone go ahead and make room reservations so we can see what our numbers are and plan accordingly. If anyone needs another copy of the hotel information or agenda, please let staff know.

Data Reporting

Chartrand indicated much progress has been made. There is now a growing consensus on how the new data report will look. The data committee is currently on their second draft and will send out to the general membership as soon as it is finalized. The proposed data format dovetails well with the new membership structure that is being proposed. It is important members submit data because it could very well impact their voting seat on the NHSCA Board. It was decided quarterly data reporting is here to stay but will be divided up in slightly more detail by warranty type. Members agreed the data reports continue to be of great value.

State Updates

Arizona – David Childers

Our Bill 1049 passed. [applause]. SCIC has proposed to push the law even further on pre-existing conditions – amending it yet again this session to make it even broader. SCIC feels they have a good chance. The NHSCA is supporting them but not taking an active role. The SCIC bill is pending.

Florida Legislation – Two bills are pending. SCIC is involved in the legislation regarding licensing exceptions for insurance agents. Our Florida lobbyist asked if we wanted to get actively involved and perhaps piggyback the effort to get rid of any sort of licensure in Florida. Our lobbyist has made a proposal for \$5000 a month for three months to pursue. Chartrand recommended against and no members wanted to pursue so NHSCA will not get involved.

Oklahoma – Ron Peterson

Our bill passed out of committee and as of today, March 4, it passed off Senate floor 44-0. It will need to pass on the House floor by April 22. Once all that takes place, it will go to the Governor for his signature. Once signed, the act will become effective on November 1, 2021.

Nevada – John Sande & Matt Robinson

Language continues to be redrafted. The DOI and sponsors continue to balk at even issues they have already agreed upon such as less claims paid and cancellation fees. Chartrand has had multiple negotiating sessions over the last few months with the Commissioner and all staff via Zoom. They yet refuse to meet in person. Chartrand also received some limited assurance from Gov. Sisolak and insisted our lobbyists return to him for some help. Nevada politics have historically been very difficult. Our own sponsor (Chartrand spoke with him for an hour by phone on March 3) was approached by a Republican on the Committee who will hear our bill. He had a contract he did not like and he is now reportedly lobbying our sponsor and other Democrats not to cooperate with us. AB45 is still active but SCIC is also working with us to defeat or alter. Getting something yet accomplished this session is possible if we do not encounter more negative lobbying, opposition or bad publicity. It is fluid and changing daily. Chartrand asked if any member had any influence within Nevada to be of help. None was apparent.

California – Mike Belote

Friday, February 19, 2021 was the deadline for introduction of new bills in the California Legislature for 2021. Of the 2369 bills introduced, approximately one-third were “spot bills” (bills introduced to hold a “spot”, making no substantive change now, to be filled in with substantive language later) so the bills identified of interest to NHSCA may change as spot bills are amended.

Those of potential interest to the NHSCA members as of now:

- AB 390 (Berman): Reintroduction of a bill from last year relating to autorenewal. Would regulate autorenewal contracts which contain a free offer, and the details of how consumer can cancel any auto-renewed contracts. Not sure if the members have any autorenewals in their contracts.

- AB 1129 (Frazier): Would create a new licensing program for home inspectors in California.
- AB 1221 (Flora): Adds regulation of service contracts which continue until canceled. It does not appear to affect home warranty products.
- SB 484 (Archuleta): Allows a licensed plumber who conducts a home inspection to perform sewer lateral repairs if certain disclosures are made to the consumer. Could affect any NHSCA companies covering sewer laterals.

Of course, more bills might be added as we see amendments to bills, including the large number of spot bills which were introduced.

Texas – David Parker

The SCIC bill to move home warranty to TDLR still sits with them awaiting a response. At our last meeting we decided to suspend our bill and simply stand with SCIC on their TDLR efforts. Time will tell.

Media Inquiries

Chartrand receives frequent media inquiries and continues to try to educate and work out issues with them. His opinion is it is best to work with the media than to ignore them. A reporter from The Philadelphia Inquirer conducted an interview with Chartrand this week by phone. The focus of the interview was what to look for in a home warranty. Of course, going with a member of NHSCA was the chief recommendation. The reporter also inquired if any members were willing to visit with her directly. One of our members has agreed to do so. Others should contact Chartrand if also interested.

Advisory Council

The Advisory Council has had several good Zoom calls in recent weeks. Council head, Whitehead has been circulating material among NHSCA officers about how to incorporate advisory council as Affiliate Members. They are still refining. Jim Mullery with ORHP is the official liaison on the council now, replacing Martin. Mullery will bring back information to the members as it becomes available. It is anticipated and hoped we will take formal action before or in Boothbay on our voting board size and the affiliates via bylaw changes.

Transition Plan

There are several different options on the table at this time. Officers are interviewing candidates and considering other options and will provide a recommendation to the general membership when they are ready. Rodney, Jacqui and Andy are meeting frequently to explore every avenue and asked members to be patient.

Accreditation

We extended the deadline to May 1. The program remains voluntary. Chartrand has vowed to work with all members to get accredited. 100% accreditation is not only very desirable, but very possible. Accreditation after the deadline will proceed but at a cost currently estimated to be \$7500.00.

The meeting adjourned at 3:10 pm CST. Next call is scheduled for April 1, 2021.