

NHSCA Monthly Update
Thursday, Sept. 9, 2021, at 3:00 pm CDT

2-10: Lindsay Iten
AFC Home Club: Randall Reis
America's Preferred Home Warranty: Rodney Martin
Cinch: Sloane Levy
First American Home Warranty: Andy Hand, Zach Zaharek
Old Republic Home Protection: Jim Mullery
HWA/Direct Energy: Heather Cone, Michael Longoria

NHSCA Staff: Pierce Haley, Executive Director
Art Chartrand, Of Counsel
Joy Moore, Admin.
Travis Moore, Sr. Legislative & Regulatory Counsel

Guests: David Parker, Longbow Partners

Roll call was taken, and a quorum was present.

Haley reminded members of the Anti-trust statement that the NHSCA has in effect.

President Hand welcomed everyone to the meeting, especially our new Exec. Director, Pierce Haley with Serlin Haley. Hand mentioned to members the need to promote the service contract industry and to make the adoption of the warranty stronger. He proposed to the members the challenge of improving the reputation of the industry.

State Updates

Nevada

Haley informed members of a recent zoom call with the Commissioner of Insurance relative to our initiatives. Our contract language regarding emergency services was denied by the DOI and our lobbyist, John Sande drafter new language that was submitted and approved. Haley will be sending out the new language to the members for review. NV DOI continues to push for the NAIC opt-in model which would require unnecessary data entry from our members of which we have been trying to push back for years. The DOI has agreed to meet with us to discuss. Hand and Reis have agreed to be on the call with Haley.

Arizona – R20-6-407

AZ DOI has drafted a new set of rules. A complete rewrite from top to bottom. Unfortunately, the rules go further than the statute. They are trying to undo all we have done with this new regulation. Moore has requested an oral hearing and it has been granted. We have 30 days to get comments submitted. Moore has emailed to members the objections to the six proposed rules for members to review and respond back to him with feedback. (See *September update email from Haley on Sept. 2*) Haley noted the association will plan to hold off on getting comments to the DOI too quickly, so they do not have time to poke holes in our comments.

Texas

Lobbyist, David Parker indicated to members TDLR is looking at regulations with fresh eyes as well as working on new rules, but also interpret the new piece of code. Chartrand asked Parker what members should do in the short term for the next 90 days. It was suggested members send a letter, indicating they are waiting for instructions. Chartrand and Haley will put together a model letter for members to send to TDLR.

At that time the association can ask for a ZOOM call with TDLR. September 1 was the date of the transfer for TREC to TDLR. It was suggested members not wait for approval but move forward with transparency and compliance.

California

AB390 – auto renewal bill is sitting on the governor's desk. It will be effective July 1, 2022.
AB 1221 indicates home service contracts are exempt – it is on governor's desk as of today.

New Member Drive

Hand informed member the membership committee met and are currently working on recruiting - Haley had an active conversation with HUSA about rejoining. Andy is meeting with them next week. There have been other conversations with new home warranty companies as well.

Hand noted Choice HW has recently made changes at the top and may be operating in a more compliant manner. It was his thought this may be the time to have them join our association. Hand asked if anyone knows the new president? Both Reis and Cone indicated they know him and will pass on the information to Haley and Hand. Chartrand recommended bringing them in to the association. It was noted they are members of SCIC and that has not hurt them. Martin agreed, especially since the association has the accreditation program in place. Hand noted getting new members by the end of the year is the goal.

Pierce indicated to members he had a conversation with Frontdoor and indicated they are “holding their powder”.

Report on Affiliate Membership - Randy Whitehead

All affiliates that attended Boothbay were very pleased with the meeting and are willing to roll up their sleeves. Most vendors have the same objective related to being involved with the NHSCA. How can they best make their products and services available to NHSCA members? The vendors want to participate in industry events. Whitehead said he could have affiliates put together suggestions for the symposium to be held in conjunction with the NHSCA annual meeting in June 2022.

Chartrand noted he would like someone who attended the recent Warranty Chain Management conference to send him a flyer showing the details and price of the conference. Whitehead announced the next conference he will be attending is The Warranty Innovations Conference being held in October. Chartrand suggests we get an attendee list for that conference if possible.

Whitehead noted it is his opinion the NHSCA current dues structure is prohibitive for new start-up home warranty companies. He suggested we consider looking at an “entry level” option that would make it more palatable for them. Whitehead indicated he will ask the home warranty companies he is currently dealing with for price point feedback for further discussion.

Whitehead will send Moore a cover letter to send with invoices to affiliates who attended the annual conference in Boothbay to speed up the membership process.

Officer Retreat

An officer retreat is planned for December to map out 2022. More details to follow.

Date Reporting Status

Moore noted the Q2 2021 market data collection report should be finalized next week. There was only one member who reported part home systems. All other members reported whole home systems data sheets. Pierce's office is looking at handling future report summaries internally.

Accreditation Status

Chartrand noted a final vote will be taken next month to approve 2-10 and Universal. The next step is to market and push the accreditation program. He reminded members the importance of getting the word out to the realtor community! Everyone in the association should be accredited by next fall.

New SCIC Liaison

There has been no response from Meenen with SCIC. Martin agreed to be the SCIC liaison for the NHSCA. He also noted SCIC is going thru some changes and Meenan may step aside. That is likely why we have not heard from him. Martin will keep Haley informed if any changes as they occur.

Meeting adjourned at 4 pm. The next meeting is set for Thursday, October 7 @ 3 pm CDT.