

NHSCA Monthly Update
Thursday, Jan. 6, 2022, at 3:00 pm CST

2-10: Jacqui Crockett, Lindsey Iten
AFC Home Club: Randall Reis
American Home Protect: Ashley Altick
America's Preferred Home Warranty: Rodney Martin, Phil West
Choice Home Warranty: Jim Mostofi, Brian Tretter
Cinch: Sloane Levy
Fidelity: Lorna Mello, Adrienne Giacalone
Guard Home Warranty: Sergey Spisovskiy, Mikail Koval
Old Republic Home Protection: Jim Mullery

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

Roll call was taken, and a quorum was present. Executive Director Haley reminded members of the NHSCA anti-trust statement.

Crockett, presiding officer in the absence of Andy Hand, wished everyone Happy New Year.

State Updates

Haley noted the association is currently actively engaged in three states: New Jersey, Arizona and Nevada.

New Jersey –

A motion was made by Crockett and second by Reis to engage Public Strategies Impact as NHSCA lobbyists for the 2022 legislation session. The initial payment was \$5000 with the retainer lasting through the session with a 30 day out clause. The motion passed.

T. Moore sent out an email with a copy of the bill that the AG introduced several weeks ago. T. Moore noted the bill will die for now, however, it is a priority for the AG. The AG has requested a meeting with the NHSCA later this month. There will no doubt be another bill that will be very detrimental. Haley noted we have a lot of work to do.

AZ R20-6-407 – An informal stakeholders meeting was held on January 5, 2022, to go over changes the department has agreed to make to the proposed rule. T. Moore will send to members a document outlining the changes they have agreed to make, along with

a listing of the changes they have refused to make. The Department has requested comments on the changes by the end of January.

Nevada – T. Moore noted nothing new to report. Three “scheduled” meetings have been cancelled. Haley will continue to pursue a meeting.

California – nothing new to report. There has been no movement.

Other State Legislation Report - T. Moore (summary email to be sent to members)

TX 77.92-77.110 – The Texas Department of Licensing and Registration conducted an informational summit on December 14, 2021, to go over some of the changes they are implementing. T. Moore has notes from that meeting for anyone who was unable to attend.

CO-HB1239 – Automatic renewal requirements for all consumer contracts. Requires “clear and conspicuous” disclosure of terms, a “simple, cost-effective, timely, easy-to-use, and readily accessible mechanism for canceling,” and notice of renewal not less than 25 days and not more than 40 before renewal occurs via mail, email, or other agreed upon method. The relevant sections of the bill will be sent to members.

IL-HB3955 – Requires that an automatic renewal contract offered online provide a “cost-effective, timely, and easy-to-use mechanism for cancellation.” The bill also requires that any automatic renewal contract accepted online must be able to be terminated exclusively online. T. Moore will send a copy to members.

VA HB78 – Contains restrictions on trial period offers and requires that any contract entered online must be cancellable online. T. Moore will send a copy to members.

TN HB1652 – Amends the Consumer Protection Act to include automatic renewal requirements for all consumer contracts. Requires “clear and conspicuous” disclosure of terms, affirmative consent to automatic renewal, and a “toll-free telephone number, electronic mail address, a postal address if the seller directly bill the consumer, or another cost-effective, timely, and easy-to-use mechanism for cancellation.” Contracts accepted online must be able to be canceled online.

Chartrand noted it may be time for the Association to develop our own model language.

UT R590-166 – The Utah Insurance Department has proposed several amendments to the Home Protection Service Contracts section of their rules. These amendments are meant to update the rule to conform with a recent executive order implementing new rule writing

standards. There are no substantive changes to the requirements of the rule. T. Moore will send a copy of the rule to members.

HI HAR §§16-171-301 to 324 – The Hawaii Department of Commerce and Consumer Affairs Insurance Division has amended the rules regarding license registration procedures and terms. T. Moore will send a copy of the memo sent by the Department summarizing the changes to all members.

SCIC Status - Martin

Martin will forward the most recent document from the SCIC outlining the new organization plans to Haley to forward to members. In a nutshell, SCIC will be creating a non-profit corporation that will be owned and controlled equally by three members, SCIC (home space), GAPA and MVPPA. They will contract with a third party to do the administrative work. Haley indicated to Martin he knew of a firm that would be interested in that type of work.

Report on Symposium – Whitehead

Whitehead reviewed with members the “Save the Date” notice to be sent out in the next few weeks to the mailing lists that he has been provided. There were a few typos and changes to be made, but all in all, it looked great! Whitehead informed members, the new website where the conference will be marketed is <http://homewarrantyconference.com>. It was suggested a link be put on the NHSCA website to register for the conference via the CVENT software.

Haley noted he has secured a contact with Ken Greer, National Association of Home Builders, to participate as a keynote speaker.

Chartrand noted he has secured comedian, Rex Havens, for the lunch keynote.

Crockett has secured a contact with the CEO of an international outsourcing firm.

Motsofi with Choice Home Warranty indicated he would be happy to help at the conference as well. Chartrand will send him a rough draft of the symposium agenda.

Accreditation

A motion was made by Martin and second by Mullery to accept the application for accreditation for 2-10 Home Buyers Warranty. The motion passed.

Chartrand noted this completes the first round of approving accreditations. Any member wishing to become accredited will now have to complete the application online and pay the required fee. Chartrand noted members are sent the “accreditation” logo once accredited and will be identified as an accredited member of the NHSCA on the association website.

Annual Assessment

Annual assessments will be sent to members in the next week for 2022. The assessment will recalculate each year. The set amount for this year is \$15,000 for national and regional members. A running balance will be kept each year. Local member companies will pay in arrears.

J. Moore noted the Q3 2021 Market data collection summary was emailed to all participating members prior to the call today.

New business

West asked what other members are planning to do about the upcoming Covid vaccine mandate. Mostofi with Choice HW indicated he is collecting vaccine cards and if one of his employees does not have a vaccine card they will be provided a covid test and will have to wear a mask in the office. Every morning the HR department will validate this protocol at the start of each day. Choice will not be paying for the covid test, since the goal is to get employees vaccinated.

Levy informed members she has found that Fisher Phillips has been an excellent resource for keeping updated on FAQ's for employers on the coronavirus. She highly recommends to members.

Call adjourned at 3:53 pm. The next regularly scheduled Zoom call is Thursday, February 3 at 3 pm CST.