



**BUREAU OF ELECTRONIC AND APPLIANCE REPAIR
HOME FURNISHINGS AND THERMAL INSULATION**
4244 S. Market Ct, Suite D, Sacramento, CA 95834-1243
P (916) 999-2041 F (916) 921-7279 / www.bearhfti.ca.gov

**SERVICE CONTRACT WORKING GROUP
NOTICE & AGENDA
Teleconference Meeting**

Thursday, October 22, 2015, 10:00 a.m.
Bureau of Electronic and Appliance Repair,
Home Furnishings and Thermal Insulation

Meeting Location: Department of Consumer Affairs
4244 South Market Court, Suite D
Sacramento, CA 95834

**Teleconference Phone Number: 866-842-2981
Participant Passcode #: 4598662**

Unless noticed for a specific time, items may be heard at any time during the period of the meeting.

The Bureau welcomes and encourages public participation in its meetings. The public may take appropriate opportunities to comment on any issue before the Bureau at the time the item is heard. If public comment is not specifically requested, members of the public should feel free to request an opportunity to comment.

1. Purpose of the Working Group
 - a. Determine overall current industry trends and marketplace status
 - i. Offerings both inside/outside of Bureau's jurisdiction
 - ii. What to expect in the future from the industry
 - iii. Understanding business relationships (multiple entities)
 - b. Discuss and make recommendations regarding regulation of market
 - i. Adequate consumer protection
 - ii. Relevancy of Song-Beverly Consumer Warranty Act requirements and Bureau statute
 - c. Provide a report of findings (within an established timeframe), with recommendations
2. History of Bureau industry regulation – Current Law
3. Bureau Statute/Regulations vs. Department of Insurance
 - a. Home Protection Plans
 - b. Portable Electronic Devices (PED) Insurance
4. Bureau Observations/Findings
 - a. New Contract Offerings
 - i. "Blanket" contracts – no specific products/add-ons
 - ii. "Lifetime" warranties – what do they really mean?
 - iii. Re-branding of generic contracts
 - iv. Retail affiliate programs (volume buyers)
 - v. Companies offering both service contracts and PEDs

- b. File Audits
 - i. Insurance policies lacking cancellation clause
 - ii. Difficulty determining which contract offerings are in force
 - iii. Related sellers not tracked or connected, or change administrators
- 5. Licensing/Compliance Assistance
 - a. Best practices to streamline processes for initial licensing, renewals, subsequent contract filing and financial backing filing
 - b. Ensure filing of service contracts prior to its use
 - c. Failure to provide appropriate financial backing documents may result in a renewal being denied (Business & Professions Code Section 9855.3)
 - d. Recommendations for keeping seller information up to date
 - e. Contract filing consistency
 - i. Form numbers/revision dates
 - ii. Product clearly identified
- 6. Comments regarding Song-Beverly Consumer Warranty Act
- 7. Comments regarding the Bureau
- 8. Open Discussion
- 9. Adjournment

This meeting facility is accessible to the physically disabled. A person who needs a disability-related accommodation or modifications in order to participate in the meeting may make a request by contacting Victoria Hernandez at (916) 999-2055 or, for the hearing impaired, TDD (800) 326-2297; or by sending a written request to the Bureau at 4244 South Market Court, Suite D, Sacramento, CA 95834-1243, Attention: Victoria. Providing at least five working days' notice before the meeting will help ensure the availability of accommodations or modifications.

Interested parties should call the Bureau at (916) 999-2055 to confirm.