



The State of New Hampshire Insurance Department

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David J. Bettencourt
Commissioner

Keith E. Nyhan
Deputy Commissioner

BULLETIN Docket #INS 24-068-AB

TO: Obligors, Administrators, Sellers and All Other Consumer Guaranty Contract Stakeholders

FROM: Commissioner David J. Bettencourt

DATE: November 15, 2024

RE: Important Changes to Consumer Guaranty Contract Law

A handwritten signature in blue ink that reads "D.J. Bettencourt".

In New Hampshire, the sale of consumer guaranty contracts – i.e., service contracts for home, automobiles, or other products – is governed by RSA 415-C. Prompted by numerous consumer complaints related to these types of products, the New Hampshire Insurance Department (NHID) worked with industry professionals and the New Hampshire legislature to pass changes to the law regulating entities selling, marketing, or administering service contracts. The changes to the law, outlined in Senate Bill 515 (https://www.gencourt.state.nh.us/bill_Status/pdf.aspx?id=32035&q=billVersion), seek to provide clarity, fairness, and compliance in consumer guaranty contracts, and become effective on January 1, 2025.

Significant changes include:

- **Broader Application:** Manufacturers' service contracts on their products now fall within the definition of consumer guaranty contracts and consumers purchasing such products will be afforded all the protections of RSA 415-C.
- **New Registration Requirements:** RSA 415-C:3 now requires obligors to annually submit detailed information regarding administrators and sellers with which they do business, allowing the NHID to better ensure compliance with all the substantive standards in RSA 415-C. The obligor registration forms are available on NHID's website at <https://www.insurance.nh.gov/companies/prospective-company-licensing/applications>.

- **Required Filings:** Obligor will now be required to file all service contract language with NHID through the System for Electronic Rates & Forms Filing (SERFF). See Senate Bill 515 (https://www.gencourt.state.nh.us/bill_Status/pdf.aspx?id=32035&q=billVersion). If the Commissioner finds the terms of the contracts to be contrary to the public interest, inequitable, misleading, deceptive, or violative of law, he may require those terms to be changed, or the form to be withdrawn.

SERFF is now accepting filings in advance of the January 1, 2025, deadline. Obligor shall only file forms that will be issued to New Hampshire residents on and after January 1, 2025. There are no NHID form filing fees associated with these SERFF filings.

- **Enhanced Marketing Standards:** In addition to the previous prohibitions on deceptive or fraudulent practices, individuals and entities marketing consumer guaranty contracts are prohibited from using pressure tactics, unbranded materials, and any practice which specifically targets senior citizens. These changes will better protect New Hampshire consumers from unscrupulous entities in this market.

All entities selling, marketing, or administering these products must comply with these – and other – changes to the law, effective January 1, 2025.

As always, the Department is ready to assist our stakeholders with any questions they may have as they implement these changes to their businesses. Please direct any questions on this issue to consumerguarantycontracts@ins.nh.gov.