



House Bill 1188

March 7, 2023

Senate Industry and Business Committee

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Chair Larsen and members of the Senate Industry and Business Committee,

My name is Janelle Moos, Associate State Director for Advocacy with AARP North Dakota. We are offering support for HB 1188, relating to the prohibition of unfair service agreements.

AARP North Dakota on behalf of its 83,000 members desires to underscore that for many North Dakotans, their home is their most important asset and the cornerstone of their financial stability. They rely upon federal, state, and local policymakers to safeguard them against fraud, deception, and unfair practices. Straightforward business practices, marketing materials and contracts empower consumers to understand both the benefits and risks of products and services so they can make informed choices – including engaging in an agreement for future services

Older homeowners are not immune from the effects of recent economic trends and the resulting stress placed on family budgets. Rising home values are leading to higher property taxes. The greater frequency of natural disasters is leading to increases in the cost of homeowner's insurance. And inflation is driving prices higher for most necessities, like food, prescription drugs, and utilities. These price increases affect older people more deeply since they are more likely to be retired and live on a fixed income.

We know that older adults want to stay in their homes and communities as they age, yet many already face tremendous challenges as property taxes soar beyond their reach; and as they search for the supportive services that will enable them to live with dignity and independence in their own homes, many are now being confronted with the offer of an unfair service agreement promising quick cash as a marketing technique. Older adults can be especially vulnerable and need extra safeguards in order to be protected from such an unfair, deceptive, and abusive practice. Furthermore, failing to disclose or misleading consumers about the way that these agreements for future services will slow or prevent a consumer from refinancing or tapping into their home equity – denying them either the opportunity to save money or to access much-needed capital.

We encourage you to vote in favor of HB 1188 and AARP North Dakota stands ready to work with you to educate consumers and to explore the potential for a state law to protect and preserve the financial security of older North Dakotans. Thank you.