

TARION WARRANTY CORPORATION

ANNUAL REGULATORY PLAN – 2020

The following is a brief summary of policy initiatives Tarion plans to pursue in 2020 that may lead to regulatory changes. More details as they become available will be posted at tarion.com as will information on how submissions on these issues may be made to Tarion.

Proposed Initiative	Rationale / Need for Change	Possible Regulatory Change
<i>Support for Transformation</i>	<ul style="list-style-type: none"> • The government has announced that it is separating Tarion’s regulatory function from the warranty administration function. • The government has also introduced legislation (Bill 159, Rebuilding Consumer Confidence Act, 2020) that will amend the Ontario New Home Warranties Plan Act to support this change and other improvements. This requires regulations to be led by the Ministry of Government and Consumer Services (MGCS). • Tarion will provide support to MGCS and the Home Construction Regulatory Authority, as the issues relating to the changes are considered, and will provide technical support and assist in industry and public outreach. 	<ul style="list-style-type: none"> • Most regulations are within the purview of the Lieutenant Governor in Council. • Some changes to Tarion by-laws may be required.
<i>Changes to Address Auditor General Recommendations</i>	<ul style="list-style-type: none"> • The Auditor General of Ontario in a Special Report has made a number of recommendations which Tarion has accepted. • Implementation of a number of these recommendations may require regulatory changes. Tarion will provide support in any discussions regarding implementation of the recommendations and enhancements to Tarion and its mandate. This could include regulations led by MGCS and by Tarion in consultation with the ministry (MGCS). • Tarion will provide support to MGCS as the issues relating to the changes are considered and will provide technical support and may assist in industry and public outreach. 	<ul style="list-style-type: none"> • Regulatory changes may be required to address the recommendations.