

REVENUE: No revenue impact

FISCAL: No fiscal impact

Action:	Do Pass
Vote:	5 - 0 - 0
Yeas:	Deckert, George L., Monnes Anderson, Starr, Metsger
Nays:	0
Exc.:	0
Prepared By:	Janet Adkins, Administrator
Meeting Dates:	3/19

WHAT THE MEASURE DOES: Exempts from the Oregon Insurance Code businesses arranging for or transporting and preparing human remains for return from the place of death to the place where they are to be buried or cremated.

ISSUES DISCUSSED:

- Existing exemptions
- Basic definition of insurance as transfer of risk

EFFECT OF COMMITTEE AMENDMENT: No amendment.

BACKGROUND: As part of pre-arranged funeral plans or insurance policies, some funeral homes or insurance companies offer preparation and return of a person's body from the place of death to the place where the person is to be buried. The funeral home may contract, or purchase a membership for the person, with a third party provider, who in turn contracts with local funeral homes in other parts of the country or the world to provide the actual preparation and transportation services. Without the exemption in Senate Bill 687, such contracts or memberships would technically be considered insurance, and the sale would come under regulatory requirements of the Oregon Insurance Code. There are currently exemptions from the Insurance Code for automobile clubs and pre-paid ambulance services. Senate Bill 687 would similarly exempt businesses offering pre-paid arrangements for the return of human remains.