

STAFF MEASURE SUMMARY

Senate Committee On Business and Transportation

Fiscal: Has minimal fiscal impact

Revenue: No Revenue Impact

Action Date: 05/27/15

Action: Do Pass The A-Eng Bill.

Meeting Dates: 05/27

Vote:

Yeas: 3 - Girod, Monroe, Riley

Exc: 2 - Beyer, Thomsen

Prepared By: James LaBar, Committee Administrator

WHAT THE MEASURE DOES:

Allows Mortuary and Cemetery Board to grant temporary operating permit for purpose of performing interment in cemetery that does not have a valid license. Restricts granting temporary permit to situations in which there is existing prearrangement sales contract. Directs Board to adopt rules regarding temporary operating permits. Sunsets authority to grant temporary operating permit on January 1, 2018. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Proactive approach to possible future problems with cemeteries losing their credentials and taking care of at-need burials
- Stakeholders working on a more permanent fix to an emergent problem

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The use of cremation has been rising steadily over the last few decades, which has had a negative financial impact on cemeteries. Cemeteries that go bankrupt or are insolvent leave people who prepaid for funeral services and merchandise, and people with prepaid plots, in a position of losing their investment. In addition, smaller cemeteries, which are typically run by a non-profit, struggle to find volunteers to take on the responsibilities of operating the cemeteries and may become disowned. This, too, puts people with prepaid plots and services at risk of losing their investment.

House Bill 3242A allows the Mortuary and Cemetery Board to grant a temporary operating permit if an interment is needed under an existing prearrangement sales contract in a cemetery that no longer has a valid license. The authority to issue such temporary operating permits extends through January 1, 2018, giving time for the Board to recommend to the Legislative Assembly a permanent solution to the problem.