

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/SB 2016

SPONSOR: Regulated Industries Committee and Senator Pruitt

SUBJECT: Funeral & Cemetery Services

DATE: April 10, 2003      REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Oxamendi	Imhof	RI	Favorable/CS
2.			AGG	
3.			AP	
4.				
5.				
6.				

**I. Summary:**

This committee substitute creates the Board of Funeral, Cemetery and Consumer Services within the Department of Financial Services. It establishes the composition, powers, and duties for the Board of Funeral, Cemetery and Consumer Services (“the new board”). The new board would be composed of 10 members, who would be appointed by the governor from nominations made by the Chief Financial Officer. The new board would enforce the provisions of chs. 470 and 497, F.S., and the provisions of ch. 455, F.S., that are necessary to enforce the provisions of ch. 470, F.S.

The committee substitute creates the Division of Funeral, Cemetery and Consumer Services (“the new division”) within the Department of Financial Services. The Director of the new division would be appointed by, and serve at the pleasure of, the Chief Financial Officer. The director serves as the executive director of the new board. The director would be responsible for the preparation of the new board’s agenda, the presentation of division staff recommendations, reporting the activities of the division to the new board, and performing such other duties as may be assigned by Chief Financial Officer.

The committee substitute would transfer the statutory powers, duties, functions, records, personnel, property, and unexpended balances of the Board of Funeral Directors and Embalmers and the Board of Funeral and Cemetery Services to the new board.

The committee substitute amends to create terms, and to clarify current terms, used in chs. 470 and 497, F.S. The bill provides standards for adult grave spaces. It requires that a licensed cemetery prepare a map documenting establishment of recoverable internal survey reference markers. It provides identification requirements for human remains interred, entombed, scattered, or otherwise placed for final rest at licensed cemeteries after October 1, 2003. The bill provides

that a licensed cemetery company may rely entirely on the identity stated on the burial transmit permit or on the identification supplied by a person licensed under ch. 470, F.S. It exempts from the 30-day refund requirement for cancelled contracts those amount allocable to any burial rights, merchandise, or service that have been used by the purchaser. It authorizes the board to perform procedures it deems necessary incident to the surrender of a certificate of authority.

The committee substitute increases from 1 to 3 years the period that an embalmer apprentice may serve in an apprentice capacity. The bill amends requirements relating to the practice of direct disposal. The bill establishes additional requirements for direct disposal establishments and operators of cinerators, including reporting, equipment, and business practice requirements. It provides for the direct disposal of fetal remains, including from fetal deaths of less than 20 week's gestation. It increases from 3 to 6 the maximum number of classroom hours of continuing education needed for renewal of a direct disposer registration.

The committee substitute provides for the proper identification of dead human remains in the casket, alternative container, or cremation container. It provides that all contracts with the public must be approved by the Department of Financial Services and must include a complete description of any monument, marker or related product.

The committee substitute provides for the regulation of monument establishments, and requires that they operate with a certificate of authority. It provides requirements for the operation of monument establishments, including minimum square footage requirements, and minimum net worth requirements. The committee substitute provides for the regulation of preneed contract sales by monument establishments, which would include requiring a certificate of authority to conduct such sales.

This bill amends the following sections of the Florida Statutes: 20.121, 20.165, 470.002, 497.101, 470.0085, 497.021, 470.024, 470.025, 470.0255, 470.028, 470.029, 470.0294, 470.031, 470.0355, 497.005, 497.305, 497.325, 497.333, 497.361, 497.405, 497.419, and 497.436.

This bill creates the following sections of the Florida Statutes: 497.102, 497.1021, 497.1022, 497.306, 497.307, 497.365, 497.371, 497.379, 497.385, 497.391, and 497.395.

This bill creates unnumbered sections of the Florida Statutes.

## **II. Present Situation:**

Chapter 470, F.S., regulates funeral directors, embalming, and the practice of cremating human remains. The Board of Funeral Directors and Embalmers with the Department of Business and Professional Regulation administers and enforces the provisions of ch. 470, F.S.

Chapter 497, F.S., is known as the Florida Funeral and Cemetery Services Act ("the act"). The act regulates cemeteries, cremation services, cemetery companies, and preneed contracts for funeral merchandise or services.

The Board of Funeral and Cemetery Services (“the board”) within the Department of Financial Services (formerly the Department of Banking and Finance) administers and enforces the provisions of the act.

#### *Definitions*

Section 470.002 (7), F.S., defines a “funeral establishment” as:

[A] facility licensed under this chapter where a funeral director or embalmer practices funeral directing or embalming.

Section 470.002 (14), F.S., defines a “cinerator ” as:

[A] facility where dead human bodies are reduced to a residue, including bone fragments, by direct flame, also known as "cremation," or by intense heat, also known as "calcination."

Section 497.005, F.S., defines a cemetery as:

[A] place dedicated to and used or intended to be used for the permanent interment of human remains. A cemetery may contain land or earth interment; mausoleum, vault, or crypt interment; a columbarium, ossuary, scattering garden, or other structure or place used or intended to be used for the interment or disposition of cremated human remains; or any combination of one or more of such structures or places.

Section 497.005(30), F.S., defines a “preneed contract” as:

...any arrangement or method, of which the provider of funeral merchandise or services has actual knowledge, whereby any person agrees to furnish funeral merchandise or service in the future.

Section 470.002(21), defines “preneed sales agent” as:

[A]ny person who is registered under chapter 497 to sell preneed burial or funeral service and merchandise contracts or direct disposition contracts in this state.

#### *Licensure of cemeteries*

Section 497.405, F.S., requires a certificate of authority for a cemetery engaged in the practice of selling services, merchandise, or burial rights on a preneed basis. Cemetery companies existing before October 1, 1993, are exempt from this requirement. Also exempt, in counties with a population of at least 960,000 persons on July 1, 1996, are sales of specified services and merchandise by religious-institution-owned cemeteries to their members and families, provided that the cemetery was engaged in the sale of preneed contracts before October 1, 1993, and maintains a positive net worth at the end of each fiscal year.

#### *Registration of monument establishments*

Section 497.361, F.S., provides for the registration of monument establishments. Monument establishment must pay a \$200 registration fee, and a \$150 fee biennial renewal fee. A monument establishment is defined by s. 497.005, F.S., as:

[A] facility that operates independently of a cemetery or funeral establishment and that offers to sell monuments or monument services to the public for placement in a cemetery.

### III. Effect of Proposed Changes:

Section 1-13 are effective January 1, 2004.

#### **Section 1. Department of Financial Services.**

The bill amends s. 20.121, F.S., to create the Division and the Board of Funeral, Cemetery and Consumer Services within the Department of Financial Services.

#### **Section 2. Department of Business and Professional Regulation.**

The bill amends s. 20.165, F.S., to abolish, effective January 1, 2004, the Board of Funeral Directors and Embalmers within the Department of Business and Professional Regulation.

#### **Sections 3 and 4. Definitions.**

The bill amends ss. 497.005 and 470.002, F.S., to amend the definitions for the terms board, department, director and division as the terms will be used upon the creation of the Division and Board of Funeral, Cemetery and Consumer Services on January 1, 2004. The term "board" would be redefined as the Board of Funeral, Cemetery and Consumer Services. The term "division" would be defined as the Division of Funeral, Cemetery and Consumer Services within the Department of Financial Services. The term "director" would be defined as the director of the Board of Funeral, Cemetery and Consumer Services.

#### **Section 5. Board of Funeral Directors and Embalmers.**

The bill repeals s. 470.003, F.S., which establishes the Board of Funeral Directors and Embalmers.

#### **Section 6. Board of Funeral, Cemetery and Consumer Services.**

The bill substantially amends s. 497.101, F.S., to establish the composition, powers, and duties for the Board of Funeral, Cemetery and Consumer Services ("new board"). The new board would be composed of 10 members. The committee substitute defines the composition of the new board as follows:

- Two members of the new board must be licensed funeral directors, who are associated with a funeral establishment.
- One member of the new board must be a licensed funeral director, who is associated with a licensed funeral establishment, and own or operate an approved cinerator facility.
- Two members of the new board must be persons whose primary occupation is associated with a licensed cemetery company.
- Three members of the new board must be consumers who are residents of the state, who have never been licensed as funeral directors or embalmers, and who are not connected with a cemetery or cemetery company licensed pursuant to ch. 497, the death care industry, the practice of embalming, funeral directing, or direct disposition.
  - One of the consumer members must be at least 60 years of age or older.
  - One consumer member must be licensed as a certified public accountant pursuant to ch. 473.
- One member of the new board must be a monument dealer with a certificate of authority issued pursuant to ch. 497.

- One member must be the State Health Officer or his or her designee.

The bill establishes 4 year terms for the members of the new board, are appointed by the governor from nominations made by the Chief Financial Officer. The bill provides for the compensation of members of the new board. It sets a minimum meeting requirement of at least once every six months. It provides an exemption from civil liability for members of the new board acting in good faith in their official capacity.

#### **Section 7. Authority of the Board.**

The bill creates s. 497.102, F.S., to provide that the new board shall enforce the provisions of chs. 470 and 497, F.S. The bill also gives the new board the authority to enforce the provisions of ch. 455, F.S., that are necessary to enforce the provisions of ch. 470, F.S.

The bill bars the Department of Financial Services from adopting any rule, publishing any notice of proposed rule development that affect chs. 455, 470, and 497, F.S., without first presenting the proposed rule or rules to the new board for its review and recommendation. This provision does not apply to emergency rules.

#### **Section 8. Division of Funeral, Cemetery and Consumer Services.**

The bill creates s. 497.1021, F.S., to create the Division of Funeral, Cemetery and Consumer Services (“the new division”) within the Department of Financial Services. The new division would be responsible for the new board’s recordkeeping, examinations services, legal services, investigative services, and those services in ch. 455, F.S., that are necessary to perform the duties of ch. 470, F.S.

The bill provides that funds received from settlements with regulated entities and persons may be utilized by the division for contracting for the training of auditors and the conduct of examinations in order to enhance oversight and enforcement of laws and regulations governing the activities of licensees.

#### **Section 9. Director of the Division of Funeral, Cemetery and Consumer Services.**

The bill creates s. 497.1022, F.S., to establish the office of the Director of the Division of Funeral, Cemetery and Consumer Services (“the director”). The director is appointed by, and serves at the pleasure of, the Chief Financial Officer. The director serves as the executive director of the new board. The director is responsible for preparation of the new board’s agenda, presentation of division staff recommendations, reports of the activities of the division to the new board, and such other duties as may be assigned by the Chief Financial Officer.

#### **Section 10.**

The bill creates an unnumbered section of the Florida Statutes to provide that all duties performed by the Secretary of the Department of Business and Professional Regulation under ch. 470, F.S., and all duties performed by the Comptroller under ch. 497, F.S., shall be performed by the Chief Financial Officer.

#### **Section 11.**

The bill creates an unnumbered section of the Florida Statutes to transfer by a type two transfer, as the term is defined in s. 20.06, F.S., the statutory powers, duties, functions, records, personnel,

property, and unexpended balances of appropriations, allocations, or other funds of the Board of Funeral Directors and Embalmers and the Board of Funeral and Cemetery Services to the new board.

The bill specifically transfers not less than 25 full time employee positions from the Department of Business and Professional Regulation, including specific types of positions.

The bill provides that transfer of authority to the new board would not affect the validity of any judicial or administrative action pending on December 31, 2003, or the validity of any license in effect on midnight, December 31, 2003, and provides that all licenses in effect at that time will remain in effect.

**Section 12.**

The bill creates an unnumbered section of the Florida Statutes to expressly abolish the Board of Funeral, Cemetery Services and the Board of Funeral Directors and Embalmers.

**Section 13.**

The bill creates an unnumbered section of the Florida Statutes to provide that all fees collected under chs. 470 and 497, F.S., shall be deposited in the Regulatory Trust Fund for the Department of Financial Services.

**Section 14.**

The bill creates an unnumbered section of the Florida Statutes to recognize the need to conform the Florida Statutes to the provisions of this bill, and to direct the Division of Statutory Revision to provide the relevant Legislative committees the assistance, upon request, needed to enable such committees to draft conforming legislation.

**Section 15. Definitions.**

The bill amends s. 470.002, F.S., to provide definitions for the terms “body parts,” “closed container,” “cremated remains,” “cremation chamber,” “cremation container,” “cremation interment container,” “niche,” “processing,” “pulverization,” “temporary container,” and “urn.” The bill clarifies the term “casket” to provide that a casket is constructed of materials that may or may not be combustible. It redefines the term “cremation.” It adds cremation interment containers to the definition of “funeral merchandise.”

The bill clarifies the definition of the term “legally authorized person,” which under current law excludes a spouse arrested for an act of domestic violence, to exclude the spouse if the act of domestic violence resulted in, or contributed to, the death of the deceased. The bill further amends the definition of “legally authorized person” to provide that:

[W]here there is a person in any priority class listed in this subsection, the funeral establishment shall rely upon the authorization of any one legally authorized person of that class if that individual represents that he or she is not aware of any objection of the cremation of the deceased’s human remains by others in the same class of the person making the representation or of any person in a higher priority class.

This provision requires the funeral establishment to rely on the representation of any member of the listed priority classes. The funeral establishment is not authorized to consult with other members of the listed priority classes to confirm the representation.

**Section 16. Establishment of embalmer apprentice.**

The bill amends s. 470.0085, F.S., to increase from 1 to 3 years the period that an embalmer apprentice may serve in an apprentice capacity. It increases from 3 to 5 years the period that an embalmer apprentice may serve in an apprentice capacity while enrolled in and attending a course in mortuary science or funeral service education at any mortuary or funeral service education college or school.

**Section 17. Renewal of registration of direct disposer.**

The bill amends s. 470.018, F.S., to increase from 3 to 6 the maximum number of classroom hours of continuing education needed for renewal of a direct disposer registration that the department must prescribe by rule.

**Section 18. Direct disposal establishment.**

The bill amends s. 470.021, relating to the practice of direct disposal, which is the practice of cremating human remaining without embalming. The bill requires that the practice of direct disposal must be performed in a fixed location of at least 625 interior contiguous square feet. The location must also maintain or make arrangements of suitable capacity for the refrigeration and storage of the dead human bodies that are handled and stored in the establishment. It establishes requirements for the maintenance and annual inspection of each cinerator used for the cremation of dead human bodies.

**Section 19. Funeral establishment; licensure.**

The bill amends s. 470.024, F.S., to require that a funeral establishment maintain a preparation room equipped with necessary ventilation, drainage, and instruments for embalming dead human bodies. Alternatively, the bill requires that the funeral establishment make arrangements for a preparation room as established by board rule.

**Section 20. Cinerator facility; licensure.**

The bill amends s. 470.025, F.S., to provide that an operator of a cinerator facility “shall be entitled to rely on the permission of a legally authorized person to cremate more than one human body” at one time. The bill also provides that cremation may include the processing and pulverization of bone fragments. The bill requires the operator of a cinerator facility to establish written procedures for the removal of human remains and bone fragments resulting from cremation. The operator of the facility would not be liable for the unintentional or incidental commingling of human remains and bone fragments. A copy of the procedures must be available, upon request, to the department and legally authorized persons.

**Section 21. Cremation procedure required.**

The bill amends s. 470.0255, F.S., to permit the cremation of parts of human remains. The bill does not authorize the cremation of body parts removed from a person or human remains for medical purposes during treatment, surgery, biopsy, or medical research, or that have been donated for medical research.

**Section 22. Preneed sales.**

The bill amends s. 470.028, F.S., to provide that a funeral home director in charge of a funeral home establishment must be responsible for the control and activities of the establishment's preneed agents. The person in charge of a direct disposal establishment must be responsible for the control and activities of the establishment's preneed agents.

**Section 23. Reports of cases embalmed and bodies handled.**

The bill amends s. 470.029, F.S., to change from the 10th to the 20th day of each month the date that each funeral establishment, direct disposal establishment, cinerator facility, and centralized embalming facility must report to the department the name of each deceased, and other information as may be required, embalmed or otherwise handled by the establishment or facility.

**Section 24. Additional rights of legally authorized persons.**

The bill amends s. 470.0294, F.S., to authorize funeral directors or persons in charge of direct disposal of fetal remains, including from fetal deaths of less than 20 week's gestation.

**Section 25. Prohibitions; penalties.**

The bill amends s. 470.031, F.S., to prohibit the guarantee of the price of goods and services at a future date, except as provided in ch. 497, F.S. Prices may be guarantee in preneed contracts made under ch. 497, F.S.

**Section 26. Identification of human remains.**

The bill amends s. 470.0355, F.S., to require the proper identification of dead human remains in the casket, alternative container, or cremation container. Effective October 1, 2003, a licensed funeral establishment in charge of funeral arrangements in an unlicensed cemetery is responsible for the identification of dead human remains. The bill sets forth requirements for the identification of dead human remains in unlicensed and licensed cemeteries. The board is authorized make rules specifying the materials and locations of the identifying markers.

The bill requires direct disposal establishments to establish a system for the identification of dead human remains received, and for tracking the human remains from the time received until the time of delivery to authorized persons. A copy of the identification procedures must be made available, upon request, to the department and legally authorized persons.

**Section 27. Disciplinary proceedings.**

The bill reenacts s. 470.036(1)(a), F.S., relating to discipline for violations of s. 455.227(1), F.S., or s. 470.031, F.S., for the purpose of incorporating the amendment to s. 470.031, F.S.

**Section 28. Definitions.**

The amends s. 497.005, F.S., to create subsections defining the terms "niche," and "urn." The bill clarifies the term "casket" to provide that a casket is constructed of materials that may or may not be combustible. The bill clarifies the definition of the term "ossuary," which is currently defined as a receptacle used for the communal placement of cremated human remains without benefit of urn or other container, to provide that the human remains will be commingled with other cremated human remains and are unrecoverable.

The bill clarifies the definition of the term “scattering garden,” which is defined under current law as a location set aside within a cemetery for the spreading or broadcasting of cremated human remains. The bill provides that in a scattering garden the human remains:

... have been removed from their container and can be mixed with or placed on top of the soil or ground cover or buried in an underground receptacle on a communal basis and that are unrecoverable.

**Section 29. Cemetery companies; authorized functions.**

The bill amends s. 497.305, F.S., which authorizes cemetery companies to adopt bylaws establishing minimum standards for burial merchandize or the installation thereof, to require cemetery companies to include minimum standards for access to install burial merchandise. A cemetery company must also comply with its adopted bylaws.

**Section 30. Standards for grave spaces.**

The bill creates s. 497.306, F.S., to provide standards for adult grave spaces. The bill provides that the standard adult grave space shall measure at least 42 inches in width and 96 inches in length. This standard does not apply to preinstalled vaults in designated areas. Except for cremated remains the bill requires no less than 12 inches of soil on top of the outer burial container.

The bill requires that effective October 1, 2003, a licensed cemetery must prepare a map documenting establishment of recoverable internal survey reference markers. The map must show:

- The number of grave spaces available for sale.
- The location of each grave space.
- The number designation assigned each grave space.
- The dimensions of a standard adult grave space.

Adult grave spaces establishes before October 1, 2003, are not required to meet the standard set forth in this section. This section only applies to adult grave spaces. It does not provide standards for grave spaces for children.

**Section 31. Identification of human remains in licensed cemeteries.**

The bill creates s. 497.307, F.S., to provide identification requirements for human remains interred, entombed, scattered, or otherwise placed for final rest at licensed cemeteries on or after October 1, 2003. The marker must be a tag or a permanent identifying marker containing the name of the decedent and the date of death, if available.

The bill provides that a licensed cemetery company may rely entirely on the identity stated on the burial transmit permit or on the identification supplied by a person licensed under ch. 470, F.S. A cemetery company is not liable for any differences shown on the burial transmit permit or other identification and the actual identity of the dead human remains delivered to and buried in the cemetery.

**Section 32. Illegal tying arrangements.**

The bill amends s. 497.325, F.S., to authorize companies that own and operate a cemetery company to establish reasonable rules for style and size of a monument or its foundation sold or

serviced by noncemetery licensed persons. Current law only authorizes cemetery companies to make such rules. The bill also includes companies that own and operate a cemetery as being subject to the prohibitions and requirements in this section relating to the installation, care and maintenance of monuments.

**Section 33. Disclosure of information to the public.**

The bill amends s. 497.333, F.S., to require a licensee under this chapter to provide to each customer a complete description of any monument, marker, or memorialization to be placed at a grave site.

**Section 34. Certification of monument establishments.**

The bill amends s. 397.361, F.S., to provide that monument establishments must have a valid certificate of authority with the Department of Financial Services. Sections 34 through 39 of this bill sets forth the requirements for a monument establishment certificate of authority. Under current law a monument establishment only needs to register and pay a \$200 fee. The bill maintains the \$200 fee.

The bill also requires that monuments not delivered within a specified timeframe shall be considered a breach of contract, unless the monument establishment has a written contract to extend the delivery date. Under current law, monuments must be delivered within 120 days of the date of sale, but the monument establishment may request two 30-day extensions.

The bill provides that all contracts with the public must be approved by the Department of Financial Services and must include a complete description of any monument, marker or related product. The bill further provides that no registration to operate as a monument establishment may be transferable or assignable.

**Section 35. Regulation of monument establishments.**

The bill creates s. 497.365, F.S., to provide for an inspection program by the Department of Financial Services for all monument establishments in accordance with the requirements of this act. The bill requires the Department of Financial Services to adopt rules to regulate the approval of contracts for memorials and related products, and to require written complaint procedures, mandatory responses to consumers complaints, disclosure to the public of ownership, the fingerprinting of owners, and appropriate record keeping.

**Section 36. Monument establishment business location.**

The bill creates s. 497.371, F.S., to require that a monument establishment business must have a specific street address or location of at least 1,500 square feet of office and manufacturing space, including a display area. The monument establishment's facility must be open to the public during regular business hours, with facilities to design, inscribe, and install monuments and related products. This section requires licensure for the installation of monuments, markers, and related products.

**Section 37. Licensure of monument establishments to sell preneed.**

The bill creates s. 497.379, F.S., to provide that a monument establishment cannot sell a preneed contract without having a valid certificate of authority from the Department of Financial Services.

**Section 38. Monument establishment sales representative.**

The bill creates s. 497.385, F.S., to require that all persons selling monuments, markers, or related products must register with the Department of Financial Services. The bill requires any person selling monuments, markers, or related products for a licensed monument establishment must register as a preneed agent pursuant to the requirements of this chapter. Section 497.439, F.S., provides for the licensure of preneed agents.

**Section 39. Monument establishment preneed contracts.**

The bill creates s. 497.391, F.S., to require, effective January 1, 2004, board approval of any preneed contract written by a monument dealer or establishment.

**Section 40. Licensed monument establishment financial requirements.**

The bill creates s. 497.395, F.S., to establish financial requirements for monument establishments. Licensed monument establishments must maintain a minimum net worth of \$10,000. The bill requires monument establishments to submit a recent year-end financial statement with their application for licensure, which must be prepared in accordance with generally accepted accounting principals (GAAP). The bill establishes annual fees for renewal of monument establishment certificates of authority. The renewal fees are based on the establishment's sales volume and range from \$500 to \$1,250, depending on the total sales of the establishment. Under current law, monument establishment must register with a fee of \$200, and are required to renew their registration every two years with a renewal fee of \$150.

The bill provides that applicant's for a monument establishment certificate of authority that do not meet the financial requirements set forth in the bill, may submit additional evidence or agree to additional oversight as a condition to receiving or retaining a certificate of authority. The bill provides examples of acceptable additional evidence and oversight requirements.

**Section 41. Certificate of authority required.**

The bill amends s. 497.405, F.S., to expand the activities by a cemetery that cannot be performed without a certificate of authority. Under the bill a cemetery must be licensed by the board before it can advertise to sell or make arrangement for services, merchandise, or burial rights on a preneed basis. The bill expands the list of merchandise and services that can be sold by religious-institution-owned cemeteries to their members and their families to include cremation interment containers, and the opening and closing of cremation interment containers.

**Section 42. Cancellation of, or default on, preneed contracts.**

The bill amends s. 497.419(4), F.S., to exempt from the 30-day refund requirement for cancelled preneed contracts any amounts allocable to any burial rights, merchandise, or service that have been used by the purchaser.

The bill creates s. 497.419(11), F.S., to provide that failure to install a monument within 180 days of interment shall be considered a breach of contract by the preneed certificateholder, unless the preneed certificateholder has a written agreement to extend the installation date. The purchaser is entitled to a full refund within 30 days of the purchaser's written request for a refund after the breach of contract by the preneed certificateholder.

**Section 43. Inactive or revoked certificateholders.**

The bill amends s. 497.436, F.S., relating to the notice that is required to be filed with the board before surrendering a certificate of authority. The bill clarifies that the notice provision is intended to protect the contract purchaser. The bill makes permissive the requirement under current law that the board must review the certificateholder's trust funds, trust agreements, and evidence of all outstanding preneed contracts. The bill authorizes the board to perform other procedures it deems necessary upon the surrender of a certificate of authority.

**IV. Constitutional Issues:****A. Municipality/County Mandates Restrictions:**

None.

**B. Public Records/Open Meetings Issues:**

None.

**C. Trust Funds Restrictions:**

None.

**V. Economic Impact and Fiscal Note:****A. Tax/Fee Issues:**

None.

**B. Private Sector Impact:**

Funeral establishments, direct disposal establishments, cemetery companies, and operators of cinerators, would have to comply with the regulatory requirements that are created by this committee substitute. A monument establishment would be required to obtain a certificate of authority, and comply with the requirements set forth in this committee substitute, including satisfying minimum square footage requirements and minimum net worth requirements.

**C. Government Sector Impact:**

The Board of Funeral, Cemetery and Consumer Services, and the Division of Funeral, Cemetery and Consumer Services would be created within the Department of Financial Services. The Board of Funeral Directors and Embalmers and the Board of Funeral and Cemetery Services would be abolished and their powers, duties, and personnel would be transferred to the new board. The Department of Business and Professional Regulation would have to initiate increase rulemaking to increase from 3 to 6 the maximum number of classroom hours of continuing education needed for renewal of a direct disposer registration.

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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