

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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SENATE BILL DRS25050-MQf-65A* (03/08)

Short Title: Amend Funeral Laws.

(Public)

Sponsors: Senators Woodard and McInnis (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT AMENDING THE LAWS PERTAINING TO THE PRACTICE OF FUNERAL
3 SERVICE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 90-210.18A reads as rewritten:

6 "§ 90-210.18A. Board of Funeral Service created; qualifications; vacancies; removal.

7 ...

8 (b) The North Carolina Board of Funeral Service is created and shall regulate the
9 practice of funeral service in this State. The Board shall have nine members as follows:

- 10 (1) ~~Four~~—Three members appointed by the Governor from nominees
11 recommended by the North Carolina Funeral Directors Association, Inc.
12 These members shall be persons licensed under this Article.
- 13 (2) ~~Two~~—Three members appointed by the Governor from nominees
14 recommended by the Funeral Directors & Morticians Association of North
15 Carolina, Inc. These members shall be persons licensed under this Article.
- 16 (3) One member appointed by the Governor who is licensed under this Article
17 and who is not affiliated with any funeral service trade association.
- 18 (4) One member appointed by the General Assembly, upon the recommendation
19 of the President Pro Tempore of the Senate. This member shall be a person
20 who is not licensed under this Article or employed by a person who is
21 licensed under this Article.
- 22 (5) One member appointed by the General Assembly, upon the recommendation
23 of the Speaker of the House of Representatives. This member shall be a
24 person who is not licensed under this Article or employed by a person who is
25 licensed under this Article.

26 Members of the Board shall serve staggered three-year terms, ending on December 31 of
27 the last year of the term or when a successor has been duly appointed, whichever is later. No
28 member may serve more than two complete consecutive terms. No more than one member
29 employed by the same funeral establishment or another funeral establishment if owned by the
30 same corporation, limited liability company, partnership, or sole proprietorship shall serve on
31 the Board at a given time.

32"

33 SECTION 2. G.S. 90-210.23 reads as rewritten:

34 "§ 90-210.23. Powers and duties of the Board.

35 ...



* D R S 2 5 0 5 0 - M Q F - 6 5 A *

1 (b) The Board shall elect from its members a president, a vice-president and a secretary,
2 no two offices to be held by the same person. The president and vice-president and secretary
3 shall serve for one year terms, but not more than two consecutive terms, and until their
4 successors shall be elected and qualified. The Board shall have authority to engage adequate
5 staff as deemed necessary to perform its duties.

6 ...
7 (d) Every person licensed by the Board and every resident trainee shall furnish all
8 information required by the Board reasonably relevant to the practice of the profession or
9 business for which the person is a licensee or resident trainee. Every funeral service
10 establishment and its records and every place of business where the practice of funeral service
11 or embalming is carried on and its records shall be subject to inspection by the Board during
12 normal hours of operation and periods shortly before or after normal hours of operation and
13 shall furnish all information required by the Board reasonably relevant to the business therein
14 conducted. Every licensee, resident trainee, embalming facility, and funeral service
15 establishment shall provide the Board with a current ~~post office residential mailing~~ address
16 ~~which shall be placed on the appropriate register and all a current, active e-mail address. If a~~
17 licensee has different physical and mailing residential addresses, the licensee shall provide both
18 addresses to the Board. All notices required by law or by any rule or regulation of the Board to
19 be mailed to any licensee, resident trainee, embalming facility, or funeral service establishment
20 shall be validly given when mailed to either the licensee's last known residential address or
21 e-mail address so provided. The Board shall send all notices relating to investigations and
22 disciplinary proceedings pursuant to this Article to the residential address provided by the
23 licensee pursuant to this subsection.

24 ...
25 (e) The Board is empowered to regulate and inspect, according to law, funeral service
26 establishments and embalming facilities, their operation, and the licenses under which they are
27 operated, and to enforce as provided by law the rules, regulations, and requirements of the
28 Division of Health Services and of the city, town, or county in which the funeral service
29 establishment or embalming facility is maintained and operated. ~~Any funeral establishment or~~
30 ~~embalming facility that, upon inspection, is found not to meet all of the requirements of this~~
31 ~~Article shall pay a reinspection fee to the Board for each additional inspection that is made to~~
32 ~~ascertain that the deficiency or other violation has been corrected.~~ The Board is also
33 empowered to enforce compliance with the standards set forth in Funeral Industry Practices, 16
34 C.F.R. 453 (1984), as amended from time to time.

35 (e1) Any funeral establishment or embalming facility that, upon inspection, is found not
36 to meet all of the requirements of this Article shall pay a reinspection fee to the Board for each
37 additional inspection that is made to ascertain that the deficiency or other violation has been
38 corrected. The amount of the reinspection fee shall be one hundred fifty dollars (\$150.00).

39 (e2) If, after any inspection, a funeral establishment is found to have any documents
40 required by Funeral Industry Practices, 16 C.F.R. § 453 (1984), not to be in compliance, the
41 Board may charge a reinspection fee not to exceed one hundred fifty dollars (\$150.00) per
42 submission to determine whether the documents are in compliance. If a reinspection is
43 conducted under subsection (e1) of this section, the Board shall include the costs of
44 reinspection in the reinspection fee assessed under subsection (e1) of this section.

45 ...
46 (j) Upon the declaration of a state of emergency, as provided in G.S. 166A-19.20, the
47 Board may temporarily waive any provision of this Article in any area or areas specified in the
48 Governor's executive order, resolution, or proclamation."

49 **SECTION 3.** G.S. 90-210.25 reads as rewritten:

50 **"§ 90-210.25. Licensing.**

51 (a) Qualifications, Examinations, Resident Traineeship and Licensure. –

- 1 (1) To be licensed for the practice of funeral directing under this Article, a
 2 ~~person must:~~an applicant for licensure bears the burden of substantiating to the
 3 satisfaction of the Board that the applicant:
 4 a. ~~Be~~Is at least 18 years of age.
 5 b. ~~Be~~Is of good moral character.
 6 c. ~~Be a graduate of a Funeral Director Program at a mortuary science~~
 7 ~~college approved by the Board or a school of mortuary science~~
 8 ~~accredited by the American Board of Funeral Service Education.~~
 9 ~~Have completed a minimum of 32 semester hours or 48 quarter hours~~
 10 ~~of instruction, including the subjects set out in sub part e.1. of this~~
 11 ~~subdivision, as prescribed by a mortuary science college approved by~~
 12 ~~the Board or a school of mortuary science accredited by the~~
 13 ~~American Board of Funeral Service Education.~~Possesses a degree in
 14 mortuary science or has graduated from a Funeral Director Program,
 15 or the equivalents, from a program approved by the Board and
 16 accredited by the American Board of Funeral Service Education.
 17 d. ~~Have~~Within the last three years, has completed 12 months of
 18 resident traineeship as a funeral director, pursuant to the procedures
 19 and conditions set out in G.S. 90-210.25(a)(4), either before or after
 20 satisfying the educational requirement under sub-subdivision c. of
 21 this subdivision.
 22 e. ~~Have passed an oral or written funeral director examination on~~
 23 Within the last three years, has obtained passing scores on all of the
 24 following subjects:examinations:
 25 1. ~~Psychology, sociology, pathology, funeral directing, business~~
 26 ~~law, funeral law, funeral management, and~~
 27 ~~accounting.~~Entry-level examination in funeral directing
 28 administered by The International Conference of Funeral
 29 Service Examining Boards.
 30 2. Repealed by Session Laws 1997-399, s. 5.
 31 3. ~~Laws~~Examination of the laws of North Carolina
 32 the standards set forth in Funeral Industry Practices, 16
 33 C.F.R. 453 § (1984), pursuant to its most recent version, and
 34 rules of the Board and other agencies dealing with the care,
 35 transportation and disposition of dead human bodies.
 36 4. Examination of pathology.
 37 f. Has paid all applicable fees.
 38 (2) To be licensed for the practice of embalming under this Article, a ~~person~~
 39 ~~must:~~an applicant for licensure bears the burden of substantiating to the
 40 satisfaction of the Board that the applicant:
 41 a. ~~Be~~Is at least 18 years of age.
 42 b. ~~Be~~Is of good moral character.
 43 c. ~~Be a graduate of a~~Possesses an associate degree in mortuary science
 44 collegescience, or the equivalent, from a mortuary science program
 45 approved by the Board~~Board~~and accredited by the American Board
 46 of Funeral Service Education.
 47 d. ~~Have~~Within the last three years, has completed 12 months of
 48 resident traineeship as an embalmer pursuant to the procedures and
 49 conditions set out in G.S. 90-210.25(a)(4), either before or after
 50 satisfying the educational requirement under sub-subdivision c. of
 51 this subdivision.

- 1 e. ~~Have~~ Within the past three years, has passed an oral or written
 2 embalmer examination on the following subjects:
 3 1. Embalming, restorative arts, chemistry, pathology,
 4 microbiology, and anatomy.
 5 2. Repealed by Session Laws 1997-399, s. 6.
 6 3. ~~Laws~~ Examination of the laws of North Carolina ~~Carolina,~~
 7 the standards set forth in Funeral Industry Practices, 16
 8 C.F.R. 453 § (1984), pursuant to its most recent version, and
 9 rules of the Board and other agencies dealing with the care,
 10 transportation and disposition of dead human bodies.
 11 f. Has paid all applicable fees.
- 12 (3) To be licensed for the practice of funeral service under this Article, a person
 13 ~~must~~ an applicant for licensure bears the burden of substantiating to the
 14 satisfaction of the Board that the applicant:
- 15 a. ~~Be~~ Is at least 18 years of age.
 16 b. ~~Be~~ Is of good moral character.
 17 c. ~~Be a graduate of and receive~~ Possesses an associate degree from a
 18 mortuary science college approved by the Board or a school of in
 19 mortuary science, or the equivalent, from a mortuary science
 20 program approved by the Board and accredited by the American
 21 Board of Funeral Service Education. Have completed a minimum of
 22 60 semester hours or 90 quarter hours of instruction, including the
 23 subjects set out in sub part c.1. of this subdivision, as prescribed by a
 24 mortuary science college approved by the Board or a school of
 25 mortuary science accredited by the American Board of Funeral
 26 Service Education.
 27 d. ~~Have~~ Within the last three years, has completed 12 months of
 28 resident traineeship as a funeral service licensee, pursuant to the
 29 procedures and conditions set out in G.S. 90-210.25(a)(4), either
 30 before or after satisfying the educational requirement under
 31 sub-subdivision c. of this subdivision.
 32 e. ~~Have~~ Within the last three years, has passed an oral or written funeral
 33 service examination on the following subjects:
 34 1. ~~Psychology, sociology, funeral directing, business law,~~
 35 ~~funeral law, funeral management, and accounting.~~ Entry-level
 36 examination in funeral directing administered by The
 37 International Conference of Funeral Service Examining
 38 Boards.
 39 2. Embalming, restorative arts, chemistry, pathology,
 40 microbiology, and anatomy.
 41 3. Repealed by Session Laws 1997-399, s. 7.
 42 4. ~~Laws~~ Examination of the laws of North Carolina ~~Carolina,~~
 43 the standards set forth in Funeral Industry Practices, 16
 44 C.F.R. 453 § (1984), pursuant to its most recent version, and
 45 rules of the Board and other agencies dealing with the care,
 46 transportation and disposition of dead human bodies.
 47 f. Has paid all applicable fees.
- 48 (4) a. A person desiring to become a resident trainee shall apply to the
 49 Board on a form provided by the Board. The application shall state
 50 that the applicant is not less than 18 years of age, of good moral
 51 character, and is the graduate of a high school or the equivalent

1 thereof, and shall indicate the licensee under whom the applicant
2 expects to train. A person training to become an embalmer may serve
3 under the supervision of either a licensed embalmer or a funeral
4 service ~~licensee~~-licensee that is in good standing with the Board and
5 who has practiced funeral service or embalming full time for a
6 minimum of five years. A person training to become a funeral
7 director may serve under the supervision of either a licensed funeral
8 director or a funeral service ~~licensee~~-licensee that is in good standing
9 with the Board and who has practiced funeral service or funeral
10 directing full time for a minimum of five years. A person training to
11 become a funeral service licensee shall serve under the supervision of
12 a funeral service ~~licensee~~-licensee that is in good standing with the
13 Board and who has practiced funeral service full time for a minimum
14 of five years. The application must be sustained by oath of the
15 applicant and be accompanied by the appropriate fee. When the
16 Board is satisfied as to the qualifications of an applicant it shall
17 instruct the secretary to issue a certificate of resident traineeship.

18 ...

19 d. A certificate of resident traineeship shall be signed by the resident
20 trainee and upon payment of the renewal fee shall be renewable one
21 year after the date of original registration; but the certificate may not
22 be renewed more than two times. The Board shall mail to each
23 registered trainee at ~~his-the~~ trainee's last known residential address or
24 e-mail address a notice that the renewal fee is due and that, if not
25 paid within 30 days of the notice, the certificate will be canceled. A
26 late fee, in addition to the renewal fee, shall be charged for a late
27 renewal, ~~but~~ except that the renewal of the registration of any
28 resident trainee who is engaged in active service in the Armed Forces
29 of the United States ~~at the time renewal is due may, at the discretion~~
30 ~~of the Board, be held in abeyance for the duration of that service~~
31 ~~without penalties.~~ shall not be charged a late fee. No credit shall be
32 allowed for the 12-month period of resident traineeship that shall
33 have been completed more than five years preceding the examination
34 for a license. However, any resident trainee to whom G.S. 105-249.2
35 grants an extension of time to file a tax return shall be allowed an
36 extension of time to retain credit equal to the number of days of
37 active deployment.

38 e. All registered resident trainees shall electronically report to the
39 Board at least once every month during traineeship upon forms
40 provided by the Board listing the work which has been completed
41 during the preceding month of resident traineeship. The Board may
42 set and collect a late fee not to exceed fifty dollars (\$50.00) for each
43 work report filed after the date the report is due. The data contained
44 in the reports shall be certified as correct by the licensee under whom
45 the trainee has served during the period and by the licensed person
46 who is managing the funeral service establishment. Each report shall
47 list the following:

48 ...

49 f. To meet the resident traineeship requirements of
50 G.S. 90-210.25(a)(1), G.S. 90-210.25(a)(2) and G.S. 90-210.25(a)(3)

- 1 the following must be shown by the affidavit(s) of the licensee(s)
2 under whom the trainee worked:
- 3 1. That the funeral director trainee has, under ~~supervision, the~~
4 supervision of the licensed individual, registered as the
5 trainee's supervisor, substantially assisted in directing at least
6 25 funerals during the resident traineeship,
 - 7 2. That the embalmer trainee has, under ~~supervision, the~~
8 supervision of the licensed individual, registered as the
9 trainee's supervisor, substantially assisted in embalming at
10 least 25 bodies during the resident traineeship,
 - 11 3. That the funeral service trainee has, under ~~supervision, the~~
12 supervision of the licensed individual, registered as the
13 trainee's supervisor, substantially assisted in directing at least
14 25 funerals and, under ~~supervision, the~~ supervision of the
15 licensed individual, registered as the trainee's supervisor,
16 substantially assisted in embalming at least 25 bodies during
17 the resident traineeship.
- 18 g. The Board may ~~suspend or revoke~~ suspend, revoke, or refuse to issue
19 or renew a certificate of resident traineeship for violation of any
20 provision of this ~~Article~~ Article or place a trainee on probation for
21 any violation of this Article or rules adopted by the Board. The
22 Board may determine the length of any suspension, revocation,
23 refusal to issue or renew, or probation and impose conditions on
24 probation and reinstatement as the Board deems appropriate.
- 25 h. Each ~~sponsor~~ registered supervisor for a ~~registered~~ resident trainee
26 must during the period of sponsorship be actively employed with a
27 funeral establishment. The traineeship shall be a primary vocation of
28 the trainee.
- 29 i. Only one resident trainee may register and serve at any one time
30 under any one person licensed and registered as a resident trainee
31 supervisor under this Article.
- 32 j., k. Repealed by Session Laws 1991, c. 528, s. 4.
- 33 l. ~~The Board shall register no more than one resident trainee at a~~
34 ~~funeral establishment that served 100 or fewer families during the 12~~
35 ~~months immediately preceding the date of the application, and shall~~
36 ~~register no more than one resident trainee for each additional 100~~
37 ~~families served at the funeral establishment during the 12 months~~
38 ~~immediately preceding the date of the application.~~ Any resident
39 trainee or registered supervisor of a resident trainee shall meet with
40 the Board upon request.
- 41 (5) The Board by regulation may recognize other examinations that the Board
42 deems equivalent to its own. After an applicant fails to obtain a passing
43 score on an examination two consecutive times, the applicant must wait at
44 least 60 days to retake the examination.
- 45 ...
- 46 b. The holder of any license issued by the Board who shall fail to renew
47 the same on or before February 1 of the calendar year for which the
48 license is to be renewed shall have forfeited and surrendered the
49 license as of that date. No license forfeited or surrendered pursuant to
50 the preceding sentence shall be reinstated by the Board unless it is
51 shown to the Board that the applicant has, throughout the period of

1 forfeiture, engaged full time in another state of the United States or
2 the District of Columbia in the practice to which the applicant's
3 North Carolina license applies and has completed for each such year
4 continuing education substantially equivalent in the opinion of the
5 Board to that required of North Carolina licensees; or has completed
6 in North Carolina a total number of hours of accredited continuing
7 education computed by multiplying five times the number of years of
8 forfeiture; or has passed the North Carolina examination for the
9 forfeited license. No additional resident traineeship shall be required.
10 The applicant shall be required to pay all delinquent annual renewal
11 fees and a reinstatement fee. The Board may waive the provisions of
12 this section for an applicant for a forfeiture which occurred during
13 the applicant's service in the Armed Forces of the United States
14 provided the applicant applies within six months following severance
15 therefrom.

16 c. All licensees now or hereafter licensed in North Carolina shall take
17 continuing education courses approved by the Board in subjects
18 relating to the practice of the profession for which they are licensed,
19 to the end that the benefits of learning and reviewing skills will be
20 utilized and applied to assure proper service to the public.

21 d. As a prerequisite to the annual renewal of a license, the licensee must
22 complete, during the year immediately preceding renewal, at least
23 five hours of continuing education courses, of which the Board may
24 require licensees to take up to two hours specified by the Board. All
25 continuing education courses must be approved by the Board prior to
26 enrollment. A licensee who completes more than five hours in a year
27 may carry over a maximum of five hours as a credit to the following
28 year's requirement. A licensee ~~who is issued an initial license on or~~
29 ~~after July 1~~ does not have to satisfy the continuing education
30 requirement for ~~that year~~ the calendar year in which the license was
31 first obtained.

32 ...
33 h. The Department of Public Safety may provide a criminal record
34 check to the Board for a person who has applied for a new or renewal
35 license, or certification through the Board. The Board shall provide
36 to the Department of Public Safety, along with the request, the
37 fingerprints of the applicant, any additional information required by
38 the Department of Public Safety, and a form signed by the applicant
39 consenting to the check of the criminal record and to the use of the
40 fingerprints and other identifying information required by the State
41 or national repositories. The applicant's fingerprints shall be
42 forwarded to the State Bureau of Investigation for a search of the
43 State's criminal history record file, and the State Bureau of
44 Investigation shall forward a set of the fingerprints to the Federal
45 Bureau of Investigation for a national criminal history check. The
46 Board shall keep all information pursuant to this subdivision
47 privileged, in accordance with applicable State law and federal
48 guidelines, and the information shall be confidential and shall not be
49 a public record under Chapter 132 of the General Statutes.

50 The Department of Public ~~Safety~~ Safety, or either the State
51 Bureau of Investigation or the Federal Bureau of Investigation, may

1 charge each applicant a fee for conducting the checks of criminal
2 history records authorized by this subdivision.

3 ...
4 (a2) In order to engage in the practice of funeral directing or funeral service, such a
5 licensee must own, be employed by, or otherwise be an agent of a licensed funeral
6 establishment; except that such a licensee may practice funeral directing or funeral service ~~if~~
7 any of the following apply:

8 (1) ~~Employed~~The licensee is employed by a college of mortuary ~~science;~~
9 ~~or science.~~

10 (2) ~~The licensee;~~licensee does all of the following:

11 a. ~~Maintains all of his or her~~the licensee's business records at a location
12 made known to the Board and available for inspection by the Board
13 under the same terms and conditions as the business records of a
14 licensed funeral ~~establishment;~~establishment.

15 b. Complies with rules and regulations imposed on funeral
16 establishments and the funeral profession that are designed to protect
17 consumers, to include, but not be limited to, the Federal Trade
18 Commission's laws and rules requiring General Price Lists and
19 Statements of Goods and ~~Services;~~and Services.

20 c. Pays to the Board the funeral establishment license fee required by
21 law and set by the Board.

22 d. Obtains and maintains a professional liability insurance policy with
23 liability limits of at least one million dollars (\$1,000,000).
24 Certificates of professional liability insurance shall be (i) submitted
25 to the Board within 30 days of the initial registration of the licensee
26 by the Board, (ii) made available during any inspection by the Board,
27 and (iii) submitted to the Board upon request. The licensee shall
28 notify the Board in writing within 30 days of any change in the
29 insurer or any cancellation or suspension of policy.

30 e. Provides to the Board annually as a condition of renewal the name
31 and address of the funeral establishment or embalming facility where
32 embalming is performed, provided that an embalming facility may
33 not be used for storing any dead human body in excess of 24 hours.
34 The licensee shall notify the Board in writing within 30 days of any
35 change in the funeral establishment or embalming facility with which
36 the licensee has contracted or is affiliated.

37 Nothing in this subdivision shall preclude a licensee from arranging
38 cremations and cremating human remains while employed by a crematory.

39 (b) Persons Licensed under the Laws of Other Jurisdictions. –

40 (1) ~~The Board shall grant licenses to funeral directors, embalmers and funeral~~
41 ~~service licensees, licensed in other states, territories, the District of~~
42 ~~Columbia, and foreign countries, jurisdictions, when it is shown that the~~
43 ~~applicant holds a valid license as a funeral director, embalmer or funeral~~
44 ~~service licensee issued by the other jurisdiction, has demonstrated~~
45 ~~knowledge of the laws and rules governing the profession in North Carolina~~
46 ~~and has submitted proof of his good moral character; and either that the~~
47 ~~applicant has continuously practiced the profession in the other jurisdiction~~
48 ~~for at least three years immediately preceding his application, or the Board~~
49 ~~has determined that the licensing requirements for the other jurisdiction are~~
50 ~~substantially similar to those of North Carolina.~~has satisfied all of the
51 following:

- 1 a. The applicant holds an active, valid license in good standing as a
- 2 funeral director, embalmer, or funeral service licensee issued by a
- 3 jurisdiction that will reciprocate a North Carolina license to practice
- 4 as a funeral director, embalmer, or funeral service licensee. The
- 5 license, at the time it was issued by the other jurisdiction, must have
- 6 had equal or greater education, training, and examination
- 7 requirements.
- 8 b. The applicant has demonstrated knowledge of the laws and rules
- 9 governing the profession in North Carolina through achieving a
- 10 passing score on the laws and rules exam administered on behalf of
- 11 the Board.
- 12 c. The applicant has submitted proof of the applicant's good moral
- 13 character.
- 14 d. The applicant has practiced in the profession for at least three years
- 15 in a jurisdiction that will reciprocate a North Carolina license to
- 16 practice as a funeral director, embalmer, or funeral service licensee.
- 17 Nothing in this subdivision shall preclude any individual from obtaining
- 18 a license by meeting the requirements of subdivision (1), (2), or (3) of
- 19 subsection (a) of this section.
- 20 (2) ~~The Board shall periodically review the mortuary science licensing~~
- 21 ~~requirements of other jurisdictions and shall determine which licensing~~
- 22 ~~requirements are substantially similar to the requirements of North Carolina.~~
- 23 ...
- 24 (c) Registration, Filing and Transportation. –
- 25 ...
- 26 (7) Individuals eligible to receive a permit under this section for the
- 27 transportation or removal of a dead human body for a fee, shall:
- 28 ...
- 29 f. Obtain and maintain a professional liability insurance policy with
- 30 liability limits of at least one million dollars (\$1,000,000).
- 31 Certificates of professional liability insurance shall be (i) submitted
- 32 to the Board within 30 days of the initial registration of the
- 33 transporter by the Board and (ii) submitted to the Board annually as a
- 34 condition for renewal of each transport permit. The transporter shall
- 35 notify the Board in writing within 30 days of any change in the
- 36 insurer or any cancellation or suspension of the policy. Individuals
- 37 covered by an employer's professional liability insurance policy shall
- 38 provide evidence satisfactory to the Board that the policy covers that
- 39 individual and meets the criteria provided in this sub-subdivision.
- 40 (8) The permit issued under this section shall expire on December 31 of each
- 41 year. The application fee for the individual permit shall not exceed one
- 42 hundred twenty-five dollars (\$125.00). A fee, not to exceed one hundred
- 43 dollars (\$100.00), in addition to the renewal fee not to exceed seventy-five
- 44 dollars (\$75.00), shall be charged for any application for renewal received
- 45 by the Board after February 1 of each year.
- 46 ...
- 47 (10) The Board may adopt rules under this section including permit application
- 48 procedures and the proper procedures for the removal, handling, and
- 49 transportation of dead human bodies. The Board shall consult with the
- 50 Office of the Chief Medical Examiner before initiating rule making under
- 51 this section and before adopting any rules pursuant to this section. Nothing

1 in this section prohibits the Office of the Chief Medical Examiner from
 2 adopting policies and procedures regarding the removal, transportation, or
 3 handling of a dead human body under the jurisdiction of that office that are
 4 more stringent than the laws in this section or any rules adopted under this
 5 section. ~~Any violation of this section or rules adopted under this section may
 6 be punished by the Board by a suspension or revocation of the permit to
 7 transport or remove dead human bodies or by a term of probation. The Board
 8 may, in lieu of any disciplinary measure, accept a penalty not to exceed five
 9 thousand dollars (\$5,000) per violation.~~

10 ...

11 (14) The Board may suspend, revoke, or refuse to issue or renew the permit,
 12 place the permittee on a term of probation, or accept a civil penalty not to
 13 exceed five thousand dollars (\$5,000) in conjunction with a term of
 14 probation or in lieu of other disciplinary action when it finds that any person
 15 permitted to transport dead human bodies has engaged in any of the
 16 following acts:

- 17 a. Conviction of a felony or a crime involving fraud or moral turpitude.
- 18 b. Denial, suspension, or revocation of an occupational or business
 19 license by another jurisdiction.
- 20 c. Fraud or misrepresentation in obtaining or renewing a permit.
- 21 d. False or misleading advertising as the holder of a permit.
- 22 e. Solicitation of dead human bodies by the permittee or the permittee's
 23 agents, assistants, or employees. However, this sub-subdivision shall
 24 not be construed to prohibit general advertising.
- 25 f. Gross immorality, including being under the influence of alcohol or
 26 drugs while handling or transporting dead human bodies.
- 27 g. Failing to treat a dead human body with respect at all times.
- 28 h. Violating or cooperating with others to violate any of the provisions
 29 of this Article, any rules and regulations of the Board, or any State
 30 law or municipal or county ordinance or regulation affecting the
 31 handling, custody, care, or transport of dead human bodies.
- 32 i. Refusing to surrender promptly the custody of a dead human body
 33 upon the express order of the person lawfully entitled to custody of
 34 the body.
- 35 j. Indecent exposure or exhibition of a dead human body while in a
 36 permittee's custody or control.
- 37 k. Practicing funeral directing, funeral service, or embalming without a
 38 license.

39 The Board shall have the authority to determine the length and conditions of
 40 any period of revocation, suspension, refusal to issue or renew, or probation.

41 (d) Establishment Permit. –

42 ...

43 (3) Applications for funeral establishment permits shall be made on forms
 44 provided by the Board and filed with the Board by the owner, a partner, a
 45 member of the limited liability company, or an officer of the corporation by
 46 January 1 of each year, and shall be accompanied by the application fee or
 47 renewal fee, as the case may be. All permits shall expire on December 31 of
 48 each year. If the renewal application and renewal fee are not received in the
 49 Board's office on or before February 1, a late renewal fee, in addition to the
 50 regular renewal fee, shall be charged.

1 (4) The Board may place on probation, refuse to issue or renew, suspend, or
 2 revoke a permit when an owner, partner, manager, member, operator, or
 3 officer of the funeral establishment violates any provision of this Article or
 4 any regulations of the Board, or when any agent or employee of the funeral
 5 establishment, with the consent of any person, firm or corporation operating
 6 the funeral establishment, violates any of those provisions, rules or
 7 regulations. In any case in which the Board is entitled to place a funeral
 8 establishment permittee on a term of probation, the Board may also impose a
 9 penalty of not more than five thousand dollars (\$5,000) in conjunction with
 10 the probation. In any case in which the Board is entitled to suspend, revoke,
 11 or refuse to renew a permit, the Board may accept from the funeral
 12 establishment permittee an offer to pay a penalty of not more than five
 13 thousand dollars (\$5,000). The Board may either accept a penalty or revoke
 14 or refuse to renew a license, but not both. Any penalty under this subdivision
 15 may be in addition to any penalty assessed against one or more licensed
 16 individuals employed by the funeral establishment. The Board shall have the
 17 authority to determine the length and conditions of any period of revocation,
 18 suspension, refusal to issue or renew, or probation.

19 (5) Funeral establishment permits are not transferable. A new application for a
 20 permit shall be made to the Board within 30 days of a change of ownership
 21 of a funeral establishment. A change to the legal structure owning a funeral
 22 establishment shall constitute a change of ownership only when there is a
 23 change of a majority of the funeral establishment's owners, partners,
 24 managers, members, operators, or officers. For the purposes of this
 25 subdivision, a funeral establishment means one or more structures on a
 26 contiguous piece of property.

27 ...
 28 (e) Revocation; Suspension; Compromise; Disclosure. –

29 (1) Whenever the Board finds that an applicant for a license or a person to
 30 whom a license has been issued by the Board is guilty of any of the
 31 following acts or omissions and the Board also finds that the person has
 32 thereby become unfit to practice, the Board may suspend or revoke the
 33 license or refuse to issue or renew the license, in accordance with the
 34 procedures set out in Chapter 150B of the General Statutes:

35 ...
 36 b. Fraud or misrepresentation in obtaining or renewing a license or in
 37 the practice of funeral ~~service~~ service or operation of a licensee's
 38 business.

39 ...
 40 j. Violating or cooperating with others to violate any of the provisions
 41 of this Article or Articles 13D, 13E, or 13F of ~~Chapter 90 of the~~
 42 General Statutes, ~~this Chapter,~~ any rules and regulations of the
 43 Board, or the standards set forth in Funeral Industry Practices, 16
 44 C.F.R. 453 (1984), as amended from time to time.

45 ...
 46 o. Failure to refund any insurance proceeds received as consideration in
 47 excess of the funeral contract purchase price within 30 days of
 48 receipt; provided, however, that this provision shall not be construed
 49 to include interest or growth on funds paid towards funeral goods and
 50 services to be provided pursuant to an inflation-proof preneed
 51 contract.

1 p. Failure to provide, within a reasonable time, either the goods and
2 services contracted for or a refund for the price of goods and services
3 paid for but not fulfilled.

4 q. Violation of G.S. 58-58-97.

5 In any case in which the Board is entitled to suspend, revoke or refuse to
6 renew a license, the Board may accept from the licensee an offer to pay a
7 penalty of not more than five thousand dollars (\$5,000). The Board may
8 either accept a penalty or revoke or refuse to renew a license, but not both.

9 (2) Where the Board finds that a licensee is guilty of one or more of the acts or
10 omissions listed in subdivision (e)(1) of this section but it is determined by
11 the Board that the licensee has not thereby become unfit to practice, the
12 Board may place the licensee on a term of probation in accordance with the
13 procedures set out in Chapter 150B of the General Statutes. In any case in
14 which the Board is entitled to place a licensee on a term of probation, the
15 Board may also impose a penalty of not more than five thousand dollars
16 (\$5,000) in conjunction with the probation. The Board may also require
17 satisfactory completion of remedial or educational training as a prerequisite
18 to license reinstatement or for completing the term of probation. The Board
19 shall have the authority to determine the length and conditions of any period
20 of suspension, revocation, probation, or refusal to issue or renew a license.

21 No person licensed under this Article shall remove or cause to be embalmed a dead human
22 body when he or she has information indicating crime or violence of any sort in connection
23 with the cause of death, nor shall a dead human body be cremated, until permission of the State
24 or county medical examiner has first been obtained. However, nothing in this Article shall be
25 construed to alter the duties and authority now vested in the office of the coroner.

26 No funeral ~~service~~-establishment shall accept a dead human body from any public officer
27 (excluding the State or county medical examiner or his agent), or employee or from the official
28 of any institution, hospital or nursing home, or from a physician or any person having a
29 professional relationship with a decedent, without having first made due inquiry as to the
30 desires of the persons who have the legal authority to direct the disposition of the decedent's
31 body. If any persons are found, their authority and directions shall govern the disposal of the
32 remains of the decedent. Any funeral service establishment receiving the remains in violation
33 of this subsection shall make no charge for any service in connection with the remains prior to
34 delivery of the remains as stipulated by the persons having legal authority to direct the
35 disposition of the body. This section shall not prevent any funeral service establishment from
36 charging and being reimbursed for services rendered in connection with the removal of the
37 remains of any deceased person in case of accidental or violent death, and rendering necessary
38 professional services required until the persons having legal authority to direct the disposition
39 of the body have been notified.

40 When and where a licensee presents a selection of funeral merchandise to the public to be
41 used in connection with the service to be provided by the licensee or an establishment as
42 licensed under this Article, a card or brochure shall be directly associated with each item of
43 merchandise setting forth the price of the service using said merchandise and listing the
44 services and other merchandise included in the price, if any. When there are separate prices for
45 the merchandise and services, such cards or brochures shall indicate the price of the
46 merchandise and of the items separately priced.

47 At the time funeral arrangements are made and prior to the time of rendering the service
48 and providing the merchandise, a funeral director or funeral service licensee shall give or cause
49 to be given to the person or persons making such arrangements a written statement duly signed
50 by a licensee of said funeral establishment showing the price of the service as selected and what
51 services are included therein, the price of each of the supplemental items of services or

merchandise requested, and the amounts involved for each of the items for which the funeral establishment will advance moneys as an accommodation to the person making arrangements, insofar as any of the above items can be specified at that time. If fees charged by a finance company for expediting payment of life insurance proceeds to the establishment will be passed on to the person or persons responsible for payment of the funeral expenses, information regarding the fees, including the total dollar amount of the fee, shall be disclosed in writing. The statement shall have printed, typed or stamped on the face thereof: "This statement of disclosure is provided under the requirements of North Carolina G.S. 90-210.25(e)." The Board may prescribe other disclosures that a licensee shall give to consumers upon finding that the disclosure is necessary to protect public health, safety, and welfare.

...
 (f) Unlawful Practices. – ~~If any~~ The following shall constitute unlawful practices:

(1) Any person shall practice or hold himself or herself who practices or holds themselves out as practicing the profession or art of embalming, funeral directing or practice of funeral service or operating a funeral establishment without having complied with the provisions of this Article, the person Article shall be guilty of a Class 2 misdemeanor.

(2) Any person who knowingly or willfully abuses, mutilates, or fails to treat with reasonable care a dead human body in a person's custody shall be guilty of a Class 2 misdemeanor. It shall not be a violation of this subdivision for a person licensed to practice embalming or funeral service under this Article to embalm a dead human body consistent with techniques of embalming generally recognized by embalming or funeral service licensees under this Article or for a person licensed to practice funeral directing or funeral service to exhibit a dead human body consistent with lawful instructions from the person authorized to dispose of the dead human body.

...."

SECTION 4. G.S. 90-210.27A reads as rewritten:

"§ 90-210.27A. **Funeral establishments.**

...
 (a1) If the preparation room of a funeral establishment is damaged or destroyed by fire, weather, or other natural disaster, the Board may suspend the requirements of subsection (a) of this section, in part or whole, for a period not to exceed 180 days, provided that the funeral establishment remains in compliance with the requirements of G.S. 90-210.25(d1) and all other laws, rules, regulations, and requirements of the Division of Health Services and of the municipality or county where the funeral establishment is located. To receive a suspension of more than 90 days, the applicant must show good cause for additional time.

...
 (k) A funeral establishment shall obtain and maintain a professional liability insurance policy with liability limits of at least one million dollars (\$1,000,000). If the funeral establishment utilizes a licensee that is permitted to engage in the practice of funeral directing or funeral service under G.S. 90-210.25(a2)(2), the funeral establishment shall ensure that the licensee is named as an additional insured on the professional liability insurance policy. Proof of insurance shall be submitted to the Board before a new establishment permit will be issued and shall be submitted to the Board upon request. The Board shall not renew a funeral establishment permit until it is demonstrated that the funeral establishment has obtained liability insurance coverage. The funeral establishment shall notify the Board within 30 days of any change of insurer or any cancellation or suspension of the policy.

(l) Human remains shall be stored in a funeral establishment or licensed crematory at all times when the remains are not in transit or at a gravesite, church, or other facility or residence for the purpose of a visitation or funeral service.

1 (m) Unembalmed human remains retained in the custody of a funeral establishment for
 2 more than 24 hours shall be kept in a refrigeration unit."

3 **SECTION 5.** G.S. 90-210.28 reads as rewritten:

4 **"§ 90-210.28. Fees.**

5 The Board may set and collect fees, not to exceed the following amounts:

6	Establishment permit	
7	Application	\$400.00
8	Annual renewal	250.00
9	Late renewal	150.00
10	Establishment and embalming facility reinspection fee	100.00 150.00
11	Courtesy card	
12	Application	100.00
13	Annual renewal	75.00
14	Out-of-state licensee	
15	Application	250.00
16	Embalmer, funeral director, funeral service	
17	Application-North	
18	Carolina-Resident	200.00
19	-Non-Resident	250.00
20	Annual Renewal-embalmer or	
21	funeral director	75.00
22	Total fee, embalmer and funeral director	
23	when both are held by the same person	100.00
24	-funeral service	100.00
25	Inactive Status	50.00
26	Reinstatement fee	50.00
27	Resident trainee permit	
28	Application	50.00
29	Voluntary change in supervisor	50.00
30	Annual renewal	35.00
31	Late renewal	25.00
32	Duplicate license certificate	25.00
33	Chapel registration	
34	Application	150.00
35	Annual renewal	100.00
36	Late renewal	75.00

37 The Board shall provide, without charge, one copy of the current statutes and regulations
 38 relating to Funeral Service to every person applying for and paying the appropriate fees for
 39 licensing pursuant to this Article. The Board may charge all others requesting copies of the
 40 current statutes and regulations, and the licensees or applicants requesting additional copies, a
 41 fee equal to the costs of production and distribution of the requested documents."

42 **SECTION 6.** G.S. 90-210.29B reads as rewritten:

43 **"§ 90-210.29B. ~~Examination scores not Exemptions from public record records.~~**

44 (a) The examination scores of applicants for licensure shall not be subject to the
 45 provisions of Chapter 132 of the General Statutes. The Board shall release to any person
 46 requesting examination scores whether or not the applicant has obtained a passing score ~~at the~~
 47 time of the request within a reasonable amount of time.

48 (b) Records, papers, and other documents containing information collected or compiled
 49 by or on behalf of the Board as a result of a complaint, investigation, audit, disciplinary matter,
 50 or interview in connection with a licensee, permittee, or registrant, or any application for a
 51 license, permit, or registration, shall not be considered public records within the meaning of

1 Chapter 132 of the General Statutes. Any notice of hearing or decision rendered in connection
2 with a hearing shall be a public record subject to inspection."

3 SECTION 7. G.S. 90-210.61(a)(2) reads as rewritten:

4 "§ 90-210.61. Deposit or application of preneed funeral funds.

5 (a) Preneed funeral funds are subject to the provisions of this Article and shall be
6 deposited or applied as follows:

7 ...

8 (2) ~~Notwithstanding~~ For preneed funeral contracts executed before January 1,
9 2015, and ~~notwithstanding~~ any other provision of law, if a preneed funeral
10 contract is funded by a trust deposit or trust deposits, a preneed licensee may
11 retain, free of the trust, up to ten percent (10%) of any payments made on a
12 preneed funeral contract, provided that the preneed licensee fully discloses
13 in writing in advance to the preneed funeral contract purchaser the
14 percentage of the payments to be retained. If there is no substitution pursuant
15 to G.S. 90-210.63(a), the preneed licensee shall give credit for the amount
16 retained upon the death of the preneed funeral contract beneficiary and
17 performance of the preneed funeral contract."

18 SECTION 8. G.S. 90-210.63(a) reads as rewritten:

19 "§ 90-210.63. Substitution of licensee.

20 (a) If the preneed funeral contract is irrevocable, the preneed funeral contract purchaser,
21 or after his death the preneed funeral contract beneficiary or his legal representative, upon
22 written notice to the financial institution or insurance company and the preneed licensee who is
23 a party to the preneed funeral contract, may direct the substitution of a different funeral
24 establishment to furnish funeral services and merchandise.

25 ...

26 (2) ~~The~~ For preneed funeral contracts executed before January 1, 2015, the
27 original contracting preneed licensee shall immediately pay all funds
28 received to the successor funeral establishment designated. Regardless of
29 whether the substitution is made before or after the death of the preneed
30 funeral contract beneficiary, the original contracting preneed licensee shall
31 not be required to give credit for the amount retained pursuant to
32 G.S. 90-210.61(a)(2), except when there was a substitution under
33 G.S. 90-210.68(d1) and (e). For preneed funeral contracts executed on or
34 after January 1, 2015, the preneed licensee may retain an administrative fee
35 not to exceed ten percent (10%) of the funds on deposit at the time of
36 transfer if the amount of the fee is agreed upon by the parties in writing at
37 the time the contract is executed, unless there has been a substitution under
38 G.S. 90-210.68(d1) and (e). Upon making payments pursuant to this
39 subsection, the financial institution and the original contracting preneed
40 licensee shall be relieved from all further contractual liability thereon.

41 ...

42 (4) Any funeral establishment holding a permit under Article 13A of this
43 Chapter that accepts the transfer of a preneed funeral contract after the death
44 of the preneed contract beneficiary shall file the certificate of performance
45 with the Board and mail a copy to the contracting preneed licensee. If the
46 preneed funeral contract is performed by a funeral establishment in another
47 state, the original contracting preneed licensee shall make reasonable efforts
48 to obtain the information needed to accurately complete the certificate of
49 performance and shall file the certificate no later than the time allowed by
50 G.S. 92-210.64."

1 **SECTION 9.** Article 13D of Chapter 90 of the General Statutes is amended by
2 adding the following new section to read:

3 **"§ 90-210.63B. Cancellation of insurance preneed contracts by preneed licensee.**

4 A preneed licensee may cancel an insurance-funded preneed funeral contract by sending
5 written notice by first-class mail, postage prepaid, to the last known address of the preneed
6 funeral contract purchaser, or, after the purchaser's death, the preneed contract beneficiary or
7 the beneficiary's legal representative if all the following conditions apply:

8 (1) The preneed funeral contract beneficiary has not used the preneed funeral
9 contract to qualify for benefits from the Department of Health and Human
10 Services.

11 (2) One or more insurance policies used as consideration for the preneed
12 contract have lapsed or been revoked or cancelled by the preneed contract
13 purchaser.

14 (3) The value of all insurance policies does not exceed five hundred dollars
15 (\$500.00)."

16 **SECTION 10.** G.S. 90-210.64 reads as rewritten:

17 **"§ 90-210.64. Death of preneed funeral contract beneficiary; disposition of funds.**

18 ...

19 (d) When the balance of a preneed funeral fund is ~~one hundred dollars (\$100.00)~~ one
20 thousand dollars (\$1,000) or less and is payable to the estate of a deceased preneed funeral
21 contract beneficiary and there has been no representative of the estate appointed, the balance
22 due may be paid directly to a beneficiary or to the beneficiaries of the estate. If the balance of a
23 preneed funeral fund exceeds ~~one hundred dollars (\$100.00)~~ one thousand dollars (\$1,000) or is
24 not payable to the estate, the balance must be paid into the office of the clerk of superior court
25 in the county where probate proceedings could be filed for the deceased preneed funeral
26 contract beneficiary.

27 "

28 **SECTION 11.** G.S. 90-210.66 reads as rewritten:

29 **"§ 90-210.66. Recovery fund.**

30 ...

31 (b) From the fee for each preneed funeral contract as required by G.S. 90-210.67(d), the
32 Board shall deposit at least two dollars (\$2.00) ~~(\$2.00)~~, but not more than ten dollars (\$10.00),
33 into the Fund. The Board may ~~suspend the deposits into the Fund at any time and for any~~
34 ~~period for which the Board determines that a sufficient amount is available~~ set the amount of
35 the deposit into the Fund as it deems necessary to meet likely disbursements and to maintain an
36 adequate reserve.

37 "

38 **SECTION 12.** G.S. 90-210.67 reads as rewritten:

39 **"§ 90-210.67. Application for license.**

40 (a) No person may offer or sell preneed funeral contracts or offer to make or make any
41 funded funeral prearrangements without first securing a license from the Board.
42 Notwithstanding any other provision of law, any person who offers to sell or sells a casket, to
43 be furnished or delivered at a time determinable by the death of the person whose body is to be
44 disposed of in the casket, shall first comply with the provisions of this Article. There shall be
45 two types of licenses: a preneed funeral establishment license and a preneed sales license. Only
46 funeral establishments holding a valid establishment permit pursuant to G.S. 90-210.25(d) shall
47 be eligible for a preneed funeral establishment license. Employees and agents of such entities,
48 upon meeting the qualifications to engage in preneed funeral planning as established by the
49 Board, shall be eligible for a preneed sales license. The Board shall establish the preneed
50 funeral planning activities that are permitted under a preneed sales license. The Board shall
51 adopt rules establishing such qualifications and activities no later than 12 months following the

1 ratification of this act [Session Laws 1991 (Reg. Sess., 1992), c. 901, s. 2]. ~~Preneed~~ A preneed
2 ~~sales licensee~~ licensee may sell preneed funeral contracts, prearrangement insurance policies,
3 and make funded funeral prearrangements only on behalf of one preneed funeral establishment
4 licensee; provided, however, ~~they may sell preneed funeral contracts, prearrangement insurance~~
5 ~~policies, and make funeral prearrangements for any number of licensed preneed funeral~~
6 ~~establishments that are wholly owned by or affiliated with, through common ownership or~~
7 ~~contract, the same entity; provided further, the preneed sales licensee may also sell preneed~~
8 funeral contracts or preneed insurance policies at any preneed establishment owned by the
9 same corporation or at two or more preneed establishments owned by different individuals,
10 corporations, or business entities. If a preneed sales licensee sells to two or more preneed
11 establishments owned by different individuals, corporations, or business entities, the preneed
12 establishments shall provide to the Board a copy of a written agreement reflecting an agreement
13 among all parties to allow the licensee to sell at each preneed establishment. The preneed sales
14 licensee shall obtain a preneed sales license at each preneed funeral establishment at which the
15 licensee sells preneed funeral contracts or preneed insurance policies or makes funded funeral
16 arrangements. However, in the event they engage the preneed sales licensee engages in selling
17 prearrangement insurance policies, they the licensee shall meet the licensing requirements of
18 the Commissioner of Insurance. Every preneed funeral contract shall be signed by a person
19 licensed as a funeral director or funeral service licensee pursuant to Article 13A of Chapter 90
20 of the General Statutes.

21 Application for a license shall be in writing, signed by the applicant and duly verified on
22 forms furnished by the Board. Each application shall contain at least the following: the full
23 names and addresses (both residence and place of business) of the applicant, and every partner,
24 member, officer and director thereof if the applicant is a partnership, limited liability company,
25 association, or corporation and any other information as the Board shall deem necessary. A
26 preneed funeral establishment license shall be valid only at the address stated in the application
27 or at a new address approved by the Board.

28 (b) An application for a preneed funeral establishment license shall be accompanied by
29 a nonrefundable application fee of not more than four hundred dollars (\$400.00). The Board
30 shall set the amounts of the application fees and renewal fees, by rule. ~~A funeral establishment~~
31 ~~receiving a new preneed establishment license after January 1, 2008, or whose preneed~~
32 ~~establishment license has lapsed or was terminated for any reason after January 1, 2008, shall~~
33 ~~obtain a surety bond in an amount not less than fifty thousand dollars (\$50,000) for five years,~~
34 ~~or upon demonstrating that it is solvent, no less than one year from the date the original license~~
35 ~~is issued. The Board may extend the bonding requirement in the event there is a claim paid~~
36 ~~from the bond.~~

37 If the license is granted, the application fee shall be applied to the annual license fee for the
38 first year or part thereof. Upon receipt of the application and payment of the application fee, the
39 Board shall issue a renewable preneed funeral establishment license unless it determines that
40 the applicant has violated any provision of G.S. 90-210.69(c) or has made false statements or
41 representations in the application, or is insolvent, or has conducted or is about to conduct, its
42 business in a fraudulent manner, or is not duly authorized to transact business in this State. The
43 license shall expire on December 31 and each preneed funeral establishment licensee shall pay
44 annually to the Board on or before that date a license renewal fee of not more than two hundred
45 fifty dollars (\$250.00). ~~On or before the first day of February immediately following expiration,~~
46 ~~a license may be renewed without paying a late fee. After that date, On or after January 1, a~~
47 ~~license may be renewed by paying a late fee of not more than one hundred dollars (\$100.00) in~~
48 ~~addition to the annual renewal fee.~~

49 If, after January 1, 2008, a funeral establishment receiving a new preneed establishment
50 license or if a preneed establishment license has lapsed or has been terminated for any reason,
51 other than for failure to timely renew the license, the funeral establishment shall obtain a surety

1 bond in an amount not less than fifty thousand dollars (\$50,000) for a period of at least two
2 years; provided, however, that the Board, in its discretion, may require the term of the surety
3 bond to be for five years. However, upon demonstrating to the satisfaction of the Board that the
4 funeral establishment is solvent, the Board may reduce the bond term to a period of no less than
5 one year from the date the original license is issued. The funeral establishment may (i) purchase
6 the bond from any company authorized by law to sell bonds in this State or (ii) deposit fifty
7 thousand dollars (\$50,000) with the clerk of superior court in the county where the preneed
8 funeral establishment maintains its facility that is licensed or has submitted an application for
9 licensure to the Board. The Board may extend the bonding requirement in the event there is a
10 claim paid from the bond.

11 (c) An application for a preneed sales license shall be accompanied by a nonrefundable
12 application fee of not more than fifty dollars (\$50.00). The Board shall set the amounts of the
13 application fees and renewal fees by rule, but the fees shall not exceed fifty dollars (\$50.00). If
14 the license is granted, the application fee shall be applied to the annual license fee for the first
15 year or part thereof. Upon receipt of the application and payment of the application fee, the
16 Board shall issue a renewable preneed sales license provided the applicant has met the
17 qualifications to engage in preneed funeral planning as established by the Board unless it
18 determines that the applicant has violated any provision of G.S. 90-210.69(c). The license shall
19 expire on December 31 and each preneed sales licensee shall pay annually to the Board on or
20 before that date a license renewal fee of not more than fifty dollars (\$50.00). On or ~~before the~~
21 ~~first day of February, a license may be renewed without paying a late fee. After that date, after~~
22 January 1, a license may be renewed by paying a late fee of not more than twenty-five dollars
23 (\$25.00) in addition to the annual renewal fee.

24 ...

25 (d1) The Board may also set and collect a fee of not more than twenty-five dollars
26 (\$25.00) for the late filing of a certificate of performance and a fee of not more than one
27 hundred ~~and~~ fifty dollars (\$150.00) for the late filing of an annual report.

28"

29 **SECTION 13.** G.S. 90-210.68 reads as rewritten:

30 **"§ 90-210.68. Licensee's books and records; notice of transfers, assignments and**
31 **terminations.**

32 (a) Every preneed licensee shall keep for examination by the Board accurate accounts,
33 books, and records in this State of all preneed funeral contract and prearrangement insurance
34 policy ~~transactions, transactions used to fund preneed funeral contracts, copies of all~~
35 agreements, insurance policies, instruments of assignment, the dates and amounts of payments
36 made and accepted thereon, the names and addresses of the contracting parties, the persons for
37 whose benefit funds are accepted, and the names of the financial institutions holding preneed
38 funeral trust funds and insurance companies issuing ~~prearrangement insurance policies.~~
39 used to fund preneed funeral contracts. The Board, its inspectors appointed pursuant to
40 G.S. 90-210.24 and its examiners, which the Board may appoint to assist in the enforcement of
41 this Article, may during normal hours of operation and periods shortly before or after normal
42 hours of operation, investigate the books, records, and accounts of any licensee under this
43 Article with respect to trust funds, preneed funeral contracts, and ~~prearrangement insurance~~
44 ~~policies.~~
45 policies used to fund preneed funeral contracts. Any preneed licensee who, upon
46 inspection, fails to meet the requirements of this subsection or who fails to keep an appointment
47 for an inspection shall pay a reinspection fee to the Board in an amount not to exceed one
48 hundred dollars (\$100.00). The Board may require the attendance of and examine under oath all
49 persons whose testimony it may require. Every preneed licensee shall submit a written report to
50 the Board, at least annually, in a manner and with such content as established by the Board, of
51 its preneed funeral contract sales and performance of such contracts. The Board may also
require other reports.

1 (a1) On or before March 31, each preneed licensee shall prepare and submit an annual
 2 report on its preneed funeral contract sales and performance of preneed funeral contracts and
 3 submit the report to the Board in a manner and form prescribed by the Board.

4 ...

5 (c) If any preneed licensee transfers or assigns its assets or stock to a successor funeral
 6 establishment or terminates its business as a funeral establishment, the preneed licensee and
 7 assignee shall notify the Board at least ~~15~~30 days prior to the effective date of the transfer,
 8 assignment or termination: provided, however, the successor funeral establishment must be a
 9 preneed licensee or shall be required to apply for and be granted such license by the Board
 10 before accepting any preneed funeral contracts, whether funded by trust deposits or preneed
 11 insurance policies. Provided further, a successor funeral establishment shall be liable to the
 12 preneed funeral contract purchasers for the amount of contract payments retained by the
 13 assigning or transferring funeral home pursuant to G.S. 90-210.61(a)(2).

14 (d) Financial institutions that accept preneed funeral trust funds and insurance
 15 companies that issue ~~prearrangement or assign~~ insurance policies that are used to fund preneed
 16 funeral contracts shall, upon request by the Board or its inspectors or examiners, disclose any
 17 information regarding preneed funeral trust accounts held or ~~prearrangement insurance policies~~
 18 ~~issued by it for a preneed licensee.~~any insurance policies used to fund a preneed funeral
 19 contract.

20 Financial institutions that accept preneed funeral trust funds and insurance companies that
 21 issue or assign insurance policy proceeds or designate a preneed funeral establishment as a
 22 policy beneficiary or owner shall also forward an account balance to the contracting preneed
 23 funeral establishment at the end of each calendar year.

24 "

25 **SECTION 14.** G.S. 90-210.69 reads as rewritten:

26 "**§ 90-210.69. Rulemaking; enforcement of Article; judicial review; determination of**
 27 **penalty amount.**

28 ...

29 (c) In accordance with the provisions of Chapter 150B of the General Statutes, if the
 30 Board finds that a licensee, an applicant for a license or an applicant for license renewal is
 31 guilty of one or more of the following, the Board may refuse to issue or renew a license or may
 32 suspend or revoke a license or place the holder thereof on probation upon conditions set by the
 33 Board, with revocation upon failure to comply with the conditions:

- 34 ...
- 35 (3) ~~A crime involving fraud or moral turpitude by conviction thereof.~~
- 36 (4) Fraud or misrepresentation in obtaining or receiving a license or in preneed
 37 funeral ~~planning~~ planning, or in the operation of a licensee's business.

38 ...

39 In any case in which the Board is authorized to take any of the actions permitted under this
 40 subsection, the Board may instead accept an offer in compromise of the charges whereby the
 41 accused shall pay to the Board a penalty of not more than five thousand dollars (\$5,000). In any
 42 case in which the Board is entitled to place a licensee on a term of probation, the Board may
 43 also impose a penalty of not more than five thousand dollars (\$5,000) in conjunction with such
 44 probation. The Board may determine the length and conditions of any period of probation,
 45 revocation, suspension, or refusal to issue or renew a license.

46 "

47 **SECTION 15.** G.S. 90-210.73 reads as rewritten:

48 "**§ 90-210.73. Not public record.**

49 The following records or documents shall not be subject to the provisions of Chapter 132 of
 50 the General Statutes:

1 (1) The names and addresses of the purchasers and beneficiaries of preneed
2 funeral contracts filed with the ~~Board shall not be subject to Chapter 132 of~~
3 ~~the General Statutes.~~Board.

4 (2) All financial information used to demonstrate solvency in connection with a
5 bond required under G.S. 90-210.67."

6 **SECTION 16.(a)** G.S. 90-210.80 through G.S. 90-210.107 are repealed.

7 **SECTION 16.(b)** This section is effective when it becomes law. All Burial
8 Association assessments, dues, and payments shall cease when this act becomes law. The
9 Board of Funeral Service shall transfer all Burial Association funds to the Preneed Recovery
10 Fund, established in G.S. 90-210.66 on or before December 31, 2017. The Board shall
11 distribute certificates of funds for funeral services, to be drawn from the Preneed Recovery
12 Fund, that are equivalent to amounts owed by the Burial Association to the parties entitled to
13 the funds. The Board shall complete the distribution of certificates of funds for funeral services
14 by December 31, 2018.

15 **SECTION 17.** G.S. 90-210.123 reads as rewritten:

16 "**§ 90-210.123. Licensing and inspection.**

17 (a) Any person doing business in this State, or any cemetery, funeral establishment,
18 corporation, partnership, joint venture, voluntary organization, or any other entity may erect,
19 maintain, and operate a crematory in this State and may provide the necessary employees,
20 facilities, structure, and equipment for the cremation of human remains, provided that the
21 person or entity has secured a license as a crematory licensee in accordance with this Article.
22 The owner or manager of a cremation facility shall be a licensed funeral director or funeral
23 service licensee.

24 ...

25 (d) Every application for licensure shall identify the crematory manager and specify the
26 manager's funeral directing or funeral service license number, and all crematory technicians
27 employed by the crematory licensee providing that nothing in this Article shall prohibit the
28 designation and identification by the crematory licensee of one individual to serve as a
29 crematory manager and crematory technician. Each crematory licensed in North Carolina shall
30 employ on a full-time basis at least one crematory technician. Every application for licensure
31 and renewal thereof shall include all crematory technicians' educational certificates. The
32 crematory licensee shall keep the Board informed at all times of the names and addresses of the
33 crematory manager and all crematory technicians. In the event a licensee is in the process of
34 replacing its only crematory technician at the time of license renewal, the licensee may
35 continue to operate the crematory for a reasonable time period not to exceed 180 days.

36 (e) All licenses and permits shall expire on the last day of December of each year. ~~A-On~~
37 ~~or after January 1, a license or permit may be renewed without paying a late fee on or before~~
38 ~~the first day of February immediately following expiration. After that date, a license or permit~~
39 ~~may be renewed by paying a late fee as provided in G.S. 90-210.132 in addition to the annual~~
40 renewal fee. Licenses and permits that remain expired six months or more require a new
41 application for renewal. Licenses and permits are not transferable. A new application for a
42 license or permit shall be made to the Board within 30 days following a change of ownership of
43 more than fifty percent (50%) of the business.

44 ...

45 (g) Whenever the Board finds that an owner, partner, crematory manager, member,
46 officer, or any crematory technician of a crematory licensee or any applicant to become a
47 crematory licensee, or that any authorized employee, agent, or representative has violated any
48 provision of this Article, or is guilty of any of the following acts, and when the Board also finds
49 that the crematory operator or applicant has thereby become unfit to practice, the Board may
50 suspend, revoke, or refuse to issue or renew the license, in accordance with Chapter 150B of
51 the General Statutes:

- 1 ...
- 2 (2) Fraud or misrepresentation in obtaining or renewing a ~~license or~~ license, in
- 3 the practice of ~~cremation~~ cremation, or in the operation of a licensee's
- 4 business.
- 5 ...
- 6 (10) Violating or cooperating with others to violate any of the provisions of this
- 7 Article or of the rules of the ~~Board~~ Board or violation of Funeral Industry
- 8 Practices, 16 C.F.R. § 453 (1984), as amended.
- 9 ...
- 10 (15) Allowing anyone other than a licensee of the Board or a crematory
- 11 technician to perform a cremation.

12 In any case in which the Board is authorized to take any of the actions permitted under this
 13 subsection, the Board may instead accept an offer in compromise of the charges whereby the
 14 accused shall pay to the Board a penalty of not more than five thousand dollars (\$5,000).

15 (h) Where the Board finds a licensee is guilty of one or more of the acts or omissions
 16 listed in subsection (g) of this section but it is determined by the Board that the licensee has not
 17 thereby become unfit to practice, the Board may place the licensee on a term of probation in
 18 accordance with the procedures set out in Chapter 150B of the General Statutes. In any case in
 19 which the Board is entitled to place a licensee on a term of probation, the Board may also
 20 impose a penalty of not more than five thousand dollars (\$5,000) in conjunction with the
 21 probation. The Board may determine the length and conditions of any period of probation,
 22 suspension, revocation, or refusal to issue or renew a license.

23 (i) The Board may hold hearings in accordance with the provisions of this Article and
 24 Article 3A of Chapter 150B of the General Statutes. The Board shall conduct any such hearing.
 25 The Board shall constitute an "agency" under Article 3A of Chapter 150B of the General
 26 Statutes with respect to proceedings initiated pursuant to this Article. The Board is empowered
 27 to regulate and inspect crematories and crematory licensees and to enforce as provided by law
 28 the provisions of this Article and the rules adopted hereunder. Any crematory that, upon
 29 inspection, is found not to meet any of the requirements of this Article shall pay a reinspection
 30 fee to the Board for each additional inspection that is made to ascertain whether the deficiency
 31 or other violation has been corrected. The Board may obtain preliminary and final injunctions
 32 whenever a violation of this Article has occurred or threatens to occur.

33 In addition to the powers enumerated in Chapter 150B of the General Statutes, the Board
 34 shall have the power to administer oaths and issue subpoenas requiring the attendance of
 35 persons and the production of papers and records before the Board in any hearing,
 36 investigation, or proceeding conducted by it. ~~Members of the Board's staff~~ Inspectors of the
 37 Board authorized by G.S. 90-210.24 or the sheriff or other appropriate official of any county of
 38 this State shall serve all notices, subpoenas, and other papers given to them by the President of
 39 the Board for service in the same manner as process issued by any court of record. Any person
 40 who neglects or refuses to obey a subpoena issued by the Board shall be guilty of a Class 1
 41 misdemeanor."

42 **SECTION 18.** G.S. 90-210.124 reads as rewritten:

43 "**§ 90-210.124. Authorizing agent.**

44 ...

45 (b) A person who does not exercise his or her right to dispose of the decedent's body
 46 under subdivision (a)(2) of this section within five days of notification or 10 days from date of
 47 death, whichever is earlier, shall be deemed to have waived his or her right to authorize
 48 disposition of the decedent's body or to contest disposition in accordance with this section.
 49 Pursuant to G.S. 130A-415(c) or (j), upon such a waiver, and upon the Commissioner of
 50 Anatomy declining or failing to request delivery of the dead body, the director of social
 51 services having the duty to dispose of the human remains shall become vested with all interests

1 and rights to the dead body and shall authorize and arrange for disposition, including
2 cremation.

3"

4 **SECTION 19.** G.S. 90-210.125 reads as rewritten:

5 **"§ 90-210.125. Authorization to cremate.**

6 (a) A crematory licensee shall not cremate human remains until it has received a
7 cremation authorization form signed by an authorizing agent. The cremation authorization form
8 shall be prescribed by the Board and shall contain at a minimum the following information:

9 ...

10 (9) A representation that the human remains do not contain a pacemaker that is
11 not approved for cremation by the pacemaker's manufacturer or proper
12 regulating agency or any other material or implant that may be potentially
13 hazardous to the person performing the cremation.

14"

15 **SECTION 20.** G.S. 90-210.129 reads as rewritten:

16 **"§ 90-210.129. Cremation procedures.**

17 (a) ~~In deaths~~ For any death occurring in North Carolina certified by the attending
18 physician or other person authorized by law to sign a death certificate under the supervision of
19 a physician, the body shall not be cremated before the crematory licensee receives a death
20 certificate signed by the attending physician-person authorized to sign the death certificate,
21 which shall contain at a minimum the following information:

22 ...

23 (c1) For any death occurring outside North Carolina, a crematory licensee shall not
24 cremate a dead human body without first obtaining a copy of burial-transit permit issued by the
25 jurisdiction where the death occurred and one of the following documents:

26 (1) A death certificate from the other jurisdiction that meets the same content
27 and signature requirements of subsection (a) of this section.

28 (2) Any document or certificate required to authorize cremation in the
29 jurisdiction where the death occurred that is signed by a physician, medical
30 examiner, or other authorized person and that contains all information
31 required by subdivisions (1) through (9) of subsection (a) of this section.

32 The provisions of this subsection shall not be construed to waive the jurisdiction of the
33 medical examiner.

34 (d) No body shall knowingly be cremated with a pacemaker or defibrillator not
35 approved for cremation by the pacemaker's manufacturer or proper regulating agency, or other
36 potentially hazardous implant or condition in place. The authorizing agent for the cremation of
37 the human remains shall be responsible for taking all necessary steps to ensure that any
38 pacemaker or defibrillator not approved for cremation by the pacemaker's manufacturer or
39 proper regulating agency, or other potentially hazardous implant or condition is removed or
40 corrected prior to cremation. If an authorizing agent informs the funeral director and the
41 crematory licensee on the cremation authorization form of the presence of a pacemaker or
42 defibrillator or other potentially hazardous implant or condition in the human remains, then the
43 funeral director shall be responsible for ensuring that all necessary steps have been taken to
44 remove the pacemaker or defibrillator or other potentially hazardous implant or to correct the
45 hazardous condition before delivering the human remains to the crematory.

46 ...

47 (h) The simultaneous cremation of the human remains of more than one person within
48 the same cremation chamber is ~~forbidden~~ forbidden, provided that the following human
49 remains may be cremated simultaneously upon the express written direction of the authorized
50 agent:

- (1) The human remains of multiple fetuses from the same mother and the same birth.
- (2) The human remains of triplets up to the age of one year old from the same mother and the same birth.

...."

SECTION 21. G.S. 90-210.132(a) reads as rewritten:

"(a) ~~The By rule, the Board may set and collect fees not to exceed the following amounts from crematory and hydrolysis licensees, crematory and hydrolysis manager permit holders, and applicants:~~applicants not to exceed the following amounts:

- (1) Licensee application fee. \$400.00
- (2) Annual renewal fee. 150.00
- (3) Late renewal fee. 75.00
- (4) Reinspection fee. ~~400.00~~150.00
- (5) Per cremation or hydrolysis fee. 10.00
- (6) Late fee, per ~~cremation~~cremation or hydrolysis. 10.00
- (7) Late fee, cremation or hydrolysis report. 75.00 per month
- (8) Crematory or hydrolysis manager permit application fee. 150.00
- (9) Annual crematory or hydrolysis manager permit renewal fee. 40.00."

SECTION 22. G.S. 90-210.133(c) reads as rewritten:

"(c) Nothing in this Article shall prohibit or require the performance of cremations by crematory licensees or crematory managers for or directly with the public or exclusively for or through licensed funeral ~~directors~~directors, except as provided in G.S. 90-210.123(f1)."

SECTION 23. Article 13F of Chapter 90 of the General Statutes is amended by adding a new section to read:

"§ 90-210.136. Hydrolysis of human remains.

(a) The following definitions shall apply in this section:

- (1) Alkaline hydrolysis. – The technical process using water, heat, and other chemicals to destroy, dissolve, or reduce human remains to simpler or essential elements.
- (2) Hydrolysis container. – A container, other than a casket, designed to enclose human remains and made of suitable material to be easily destroyed during hydrolysis and to resist spillage and leakage. A hydrolysis container may be a cremation container or any other container that meets the requirements of this subsection.
- (3) Hydrolysis licensee. – A person or entity licensed to hydrolyze human remains and perform hydrolysis.
- (4) Liquid waste. – Any liquid remaining after hydrolysis that does not contain any trace elements of human tissue.

(b) No person, cemetery, funeral establishment, corporation, partnership, joint venture, voluntary organization, or other entity shall hydrolyze human remains without first obtaining a license from the Board.

(c) Except as otherwise provided by this section, a license for the hydrolysis of human remains shall have the same requirements and fees as for the licensing of crematories under this Article. The hydrolysis of human remains shall be conducted in compliance with all requirements for cremation, and the licensee shall pay the same fees for monthly reports for each hydrolysis as crematories under this Article.

(d) The Board shall have the same powers to regulate, enforce, discipline, and inspect hydrolysis licensees and the practice of hydrolysis that have been granted under this Article for

1 the regulation, enforcement, discipline, and inspection of crematories and the practice of
2 cremation.

3 (e) Any solid remains or residue remaining after hydrolysis shall be treated and
4 disposed of as cremated remains under this Article. Disposal of liquid waste shall be subject to
5 all applicable health and environmental laws and regulations.

6 (f) Human remains shall be hydrolyzed in a hydrolysis container and shall not be
7 required to be hydrolyzed in a casket.

8 (g) Unless specified otherwise by the manufacturer of the equipment used for
9 hydrolysis, human remains may be hydrolyzed without first removing a pacemaker or other
10 material or implant that would be potentially hazardous if cremated.

11 (h) The Board shall promulgate rules necessary to effectuate the licensing of alkaline
12 hydrolysis."

13 **SECTION 24.** G.S. 130A-415 reads as rewritten:

14 **"§ 130A-415. Unclaimed bodies; bodies claimed by the Lifeguardianship Council of the**
15 **Association for Retarded Citizens of North Carolina; disposition.**

16 (a) Any person, other than a person licensed as a funeral director or funeral service
17 licensee in this State, including officers, employees and agents of the State or of any unit of
18 local government in the State, ~~undertakers doing business within the State,~~ hospitals, nursing
19 homes or other institutions, having physical possession of a dead body shall make reasonable
20 efforts to contact relatives of the deceased or other persons who may wish to claim the body for
21 final disposition. If the body remains unclaimed for final ~~disposition for 10 days,~~ disposition,
22 the person having possession shall notify the Commission of Anatomy. Upon request of the
23 Commission of Anatomy, the person having possession shall deliver the dead body to the
24 Commission of Anatomy at a time and place specified by the Commission of Anatomy or shall
25 permit the Commission of Anatomy to take and remove the body.

26 (a1) A dead body shall be deemed unclaimed if either of the following conditions apply:

27 (1) No individual notifies the person in possession of the dead body within 10
28 days of the date of death that the individual wishes to dispose of the dead
29 body.

30 (2) All individuals who have expressed interest in arranging for disposition of
31 the dead body have (i) ceased communicating with the person in possession
32 of the dead body for five days, (ii) at least 10 days have passed from the date
33 of death, and (iii) the person in possession of the dead body has used
34 reasonable efforts to contact all individuals interested in arranging for final
35 disposition.

36 (b) ~~All~~ Unless the provisions of subsection (j) of this section apply, all dead bodies not
37 claimed for final disposition within 10 days of the decedent's death may be received and
38 delivered by the Commission of Anatomy pursuant to the authority contained in
39 G.S. 130A-33.30 and this Part and in accordance with the rules of the Commission of
40 Anatomy. Upon receipt of a body by the Commission of Anatomy all interests in and rights to
41 the unclaimed dead body shall vest in the Commission of Anatomy. The recipient to which the
42 Commission of Anatomy delivers the body shall pay all expenses for the embalming and
43 delivery of the body, and for the reasonable expenses arising from efforts to notify relatives or
44 others.

45 (b1) The 10-day ~~period~~ periods referenced in ~~subsections (a) and (b)~~ subdivisions (1) and
46 (2) of subsection (a1) of this section may be shortened by the county director of social services
47 upon determination that a dead body will not be claimed for final disposition within the 10-day
48 period.

49 (c) ~~Should~~ Unless the provisions of subsection (j) of this section apply, if the
50 Commission of Anatomy ~~decline~~ declines to receive a dead body, the person with possession
51 shall inform the director of social services of the county ~~in which the body is located.~~ The that

1 is responsible for the expense of the final disposition of the decedent. Upon notification, all
2 interests in and rights to the abandoned dead body shall vest in the director of social services of
3 that ~~county~~ county, who then shall arrange for prompt final disposition of the body, either by
4 cremation ~~cremation~~, hydrolysis, or burial.

5 (c1) Reasonable costs of disposition and of efforts made to notify relatives and others
6 shall be considered funeral expenses and shall be paid in accordance with G.S. 28A-19-6 and
7 G.S. 28A-19-8. If those expenses cannot be satisfied from the decedent's estate, they shall be
8 borne by the decedent's county of residence. If the deceased is not a resident of this State, or if
9 the county of residence is unknown, those expenses shall be borne by the county in which the
10 death ~~occurred~~ occurred or, if the county of residence and death of the decedent are unknown,
11 the county where the deceased was located.

12 ...
13 (j) Any funeral director or funeral service licensee doing business within the State
14 having physical possession of a dead body shall make reasonable efforts to contact relatives of
15 the deceased or other persons who may wish to claim the body for final disposition. If the body
16 remains unclaimed for final disposition for 10 days, or if the right to authorize the type,
17 method, place, and disposition, of the dead body is waived under G.S. 130A-420(b1) or
18 G.S. 90-210.24(b), and if all persons who have expressed interest in arranging for the
19 disposition for the dead body have ceased communication with the person in possession of the
20 dead body for five days, the dead body shall be deemed abandoned. If the funeral director or
21 funeral service licensee receives the dead body from a person or entity listed in subsection (a)
22 of this section, the 10-day period shall run concurrently with any period imposed on that person
23 or entity. Any person having possession of an abandoned dead body shall notify the
24 Commission of Anatomy. Upon request of the Commission of Anatomy, the person having
25 possession of the abandoned dead body shall deliver the abandoned dead body to the
26 Commission of Anatomy at a time and place specified by the Commission of Anatomy or shall
27 permit the Commission of Anatomy to take and remove the abandoned dead body.

28 (k) If the Commissioner of Anatomy fails to request delivery of the abandoned dead
29 body within two days of receipt of the notification required by subsection (j) of this section, or
30 if the Commissioner of Anatomy declines delivery of the abandoned dead body, the funeral
31 director or funeral services licensee shall notify the director of social services of the county
32 where the abandoned dead body is located. The notice to the director of social services shall
33 contain a sworn statement that (i) the body is an abandoned dead body, (ii) reasonable efforts
34 have been made to inform relatives and others of the death, and (iii) the Commission of
35 Anatomy has failed to request or has declined delivery of the abandoned dead body. Upon
36 receipt of the sworn statement, the director of social services shall arrange for final disposition
37 of the abandoned dead body and all interests in and rights to the abandoned dead body shall
38 vest in the director of social services, who shall then arrange for prompt final disposition of the
39 abandoned dead body by cremation, hydrolysis, or burial. Upon payment by the director of
40 social services for final disposition of the abandoned dead body, the director shall have a claim
41 of reasonable funeral expenses which shall be paid in accordance with G.S. 28A-19-6 and
42 G.S. 28A-19-8. If those expenses cannot be satisfied from the decedent's estate, they shall be
43 borne by the decedent's county of residence. If the decedent is not a resident of this State, or if
44 the county of residence is unknown, those expenses shall be borne by the county in which the
45 death occurred, or if the county of residence and death of the decedent is unknown, the county
46 where the deceased was located."

47 **SECTION 25.** G.S. 130A-420 reads as rewritten:

48 **"§ 130A-420. Authority to dispose of body or body parts.**

49 ...
50 (a2) Unless expressly prohibited by the order of appointment, a guardian of the person
51 shall have the authority to direct the final disposition of the remains of the ward through the

1 methods authorized in subdivision (1) of subsection (a) of this section if executed before the
2 death of the ward.

3 ...

4 (b1) A person who does not exercise his or her right to dispose of the decedent's body
5 under subsection (b) of this section within five days of notification or 10 days from the date of
6 death, whichever is earlier, shall be deemed to have waived his or her right to authorize
7 disposition of the decedent's body or contest disposition in accordance with this section. Under
8 G.S. 130A-415(c) or (j), upon such a waiver, and upon the Commission of Anatomy declining
9 or failing to request delivery of the abandoned dead body, the director of social services of the
10 county in which the dead body is located shall become vested with all interests and rights to the
11 dead body and shall authorize and arrange for disposition by cremation, hydrolysis, or burial.

12 (b2) Once the burial of an individual is completed under the provisions of this section,
13 the method and location of disposition shall not be changed unless otherwise authorized by law
14 or by a court order upon a showing of good cause.

15"

16 **SECTION 26.** G.S. 58-58-97(d) is repealed.

17 **SECTION 27.** If any provision of this act or its application is held invalid, the
18 invalidity does not affect other provisions or applications of this act that can be given effect
19 without the invalid provisions or application, and, to this end, the provisions of this act are
20 severable.

21 **SECTION 28.(a)** Section 1 of this act is effective when it becomes law and applies
22 to vacancies occurring on or after that date.

23 **SECTION 28.(b)** Except as otherwise provided, the remainder of this act is
24 effective when it becomes law.