

## **Cemetery Regulation and Licensing of Certain Contractors; HB 2172**

**HB 2172** makes changes to laws regarding cemetery pre-need merchandise, the permanent maintenance fund, and reporting. The bill also changes the education requirement for certain contractors who elect to satisfy part of the licensing requirement for their profession with trade-related schooling, as allowed by statute.

### ***Cemetery Provisions***

The bill makes the following changes:

- Specifies that payments received by a cemetery corporation as part of an installment pre-need cemetery merchandise contract that includes burial spaces must first be allocated to the permanent maintenance fund. Once the burial spaces have been paid in full, pre-need merchandise and services products continue to be funded as required by existing law;
- Requires cemetery corporations to report information regarding the cemetery merchandise trust fund to the Secretary of State on a quarterly basis rather than monthly;
- Creates definitions for the terms “burial lot,” “burial space,” “community mausoleum,” “garden mausoleum,” and “niche”;
- Modifies the definition of “funding requirement” as it relates to that portion of the purchase price set aside in the permanent maintenance fund to mean the following: 15 percent of the purchase price of a burial lot, but not less than \$25; 10 percent of the purchase price of a community mausoleum crypt, but not less than \$100; or 5 percent of the purchase price for each garden mausoleum crypt or niche, but not less than \$50. Previously, “funding requirement” as it related to the permanent maintenance fund was equal to 15 percent of the purchase price of a burial space, but not less than \$25;
- Modifies the definition of “purchase price” related to cemetery burial space to subtract any amount included in the total for permanent maintenance but specifies that the purchase price stated in the contract may include the amount of the funding requirement;
- Further specifies that the definition of “purchase price” does not include burial fees charged by the Secretary of State;
- Modifies the definition of “abandoned cemetery” to be applicable when either of two separate circumstances apply: when a cemetery has been abandoned for a year or when records have not been maintained for 180 days. Previously, both conditions had to be met;

- Extends by 15 days the time allowed after moneys are received before those moneys must be deposited to the permanent maintenance fund or the cemetery merchandise trust fund;
- Allows taxes from capital gains related to the permanent maintenance fund to be paid from the realized capital gains proceeds; and
- Makes several technical changes.

### ***Educational Requirements for Certain Contractors***

The bill also changes the education requirement for certain contractors who elect to satisfy part of the licensing requirement for their profession with trade-related schooling, as allowed by statute.

The bill changes the educational requirement from 240 hours classroom training to 930 program hours documented by a certificate of completion.

The change affects plumbers seeking a journeyman certificate; electricians seeking a journeyman or residential certificate; and heating, ventilation, and air conditioning (HVAC) mechanics seeking a journeyman HVAC mechanic certificate in counties or cities that require licensing of those positions.