

HOUSE**AMENDMENT NO. _____****Offered by _____****of _____**

1 AMEND House Committee Substitute for Senate Committee Substitute
 2 for Senate Bill No. 29, Page 1, In the Title, Lines 2 to 6, by
 3 deleting all of said lines and inserting in lieu thereof the
 4 following:

5 "To repeal sections 197.705, 302.291, 324.043, 333.041,
 6 333.042, 333.051, 333.061, 333.091, 333.151, 333.171, 334.040,
 7 334.070, 334.090, 334.100, 334.102, 334.103, 334.715, 338.010,
 8 338.140, 338.150, 338.210, 338.220, 338.240, 339.190, 436.405,
 9 436.412, 436.445, 436.450, 436.455, 436.456, 536.063, 536.067,
 10 536.070, 621.045, 621.100, and 621.110, RSMo, and to enact in
 11 lieu thereof forty-three new sections relating to the licensing
 12 of certain professions, with penalty provisions."; and

13 Further amend said bill, Page 1, Section A, Lines 1 to 7, by
 14 deleting all of said lines and inserting in lieu thereof the
 15 following:

16 "Section A. Sections 197.705, 302.291, 324.043, 333.041,
 17 333.042, 333.051, 333.061, 333.091, 333.151, 333.171, 334.040,
 18 334.070, 334.090, 334.100, 334.102, 334.103, 334.715, 338.010,
 19 338.140, 338.150, 338.210, 338.220, 338.240, 339.190, 436.405,
 20 436.412, 436.445, 436.450, 436.455, 436.456, 536.063, 536.067,
 21 536.070, 621.045, 621.100, and 621.110, RSMo, are repealed and
 22 forty-three new sections enacted in lieu thereof, to be known as
 23 sections 197.705, 302.291, 324.013, 324.043, 324.045, 332.425,
 24 333.041, 333.042, 333.051, 333.061, 333.091, 333.151, 333.171,
 25 334.001, 334.040, 334.070, 334.090, 334.099, 334.100, 334.102,
 26 334.103, 334.108, 334.715, 338.010, 338.140, 338.150, 338.210,
 27 338.220, 338.240, 339.190, 436.405, 436.412, 436.445, 436.450,
 28 436.455, 436.456, 536.063, 536.067, 536.070, 537.033, 621.045,
 29 621.100, and 621.110, to read as follows:"; and

Action Taken _____ Date _____

1 Further amend said bill, Page 7, Section 332.425, Line 25,
2 by inserting after all of said line the following:

3 "333.041. 1. Each applicant for a license to practice
4 funeral directing shall furnish evidence to establish to the
5 satisfaction of the board that he or she is:

6 (1) At least eighteen years of age, and possesses a high
7 school diploma, a general equivalency diploma, or equivalent
8 thereof, as determined, at its discretion, by the board; and

9 (2) [Either a citizen or a bona fide resident of the state
10 of Missouri or entitled to a license pursuant to section 333.051,
11 or a resident in a county contiguous and adjacent to the state of
12 Missouri who is employed by a funeral establishment located
13 within the state of Missouri, to practice funeral directing upon
14 the grant of a license to do so; and

15 (3)] A person of good moral character.

16 2. Every person desiring to enter the profession of
17 embalming dead human bodies within the state of Missouri and who
18 is enrolled in [an] a program accredited [institution of mortuary
19 science education] by the American Board of Funeral Service
20 Education, any successor organization, or other accrediting
21 entity as approved by the board, shall register with the board as
22 a practicum student upon the form provided by the board. After
23 such registration, a student may assist, under the direct
24 supervision of Missouri licensed embalmers and funeral directors,
25 in Missouri licensed funeral establishments, while serving his or
26 her practicum [for the accredited institution of mortuary science
27 education]. The form for registration as a practicum student
28 shall be accompanied by a fee in an amount established by the
29 board.

30 3. Each applicant for a license to practice embalming shall
31 furnish evidence to establish to the satisfaction of the board
32 that he or she:

33 (1) Is at least eighteen years of age, and possesses a high
34 school diploma, a general equivalency diploma, or equivalent
35 thereof, as determined, at its discretion, by the board;

36 (2) [Is either a citizen or bona fide resident of the state
37 of Missouri or entitled to a license pursuant to section 333.051,

1 or a resident in a county contiguous and adjacent to the state of
2 Missouri who is employed by a funeral establishment located
3 within the state of Missouri, to practice embalming upon the
4 grant of a license to do so;

5 (3)] Is a person of good moral character;

6 [(4)] (3) Has [graduated from an institute of mortuary
7 science education] completed a funeral service education program
8 accredited by the American Board of Funeral Service Education,
9 [or] any successor organization [recognized by the United States
10 Department of Education, for funeral service education], or other
11 accrediting entity as approved by the board. If an applicant
12 does not [appear for the final examination before the board]
13 complete all requirements for licensure within five years from
14 the date of his or her [graduation from] completion of an
15 accredited [institution of mortuary science education] program,
16 his or her registration as [a student] an apprentice embalmer
17 shall be automatically canceled. The applicant shall be required
18 to file a new application and pay applicable fees. No previous
19 apprenticeship shall be considered for the new application;

20 [(5)] (4) Upon due examination administered by the board,
21 is possessed of a knowledge of the subjects of embalming,
22 anatomy, pathology, bacteriology, mortuary administration,
23 chemistry, restorative art, together with statutes, rules and
24 regulations governing the care, custody, shelter and disposition
25 of dead human bodies and the transportation thereof or has passed
26 the national board examination of the Conference of Funeral
27 Service Examining Boards. If any applicant fails to pass the
28 state examination, he or she may retake the examination at the
29 next regular examination meeting. The applicant shall notify the
30 board office of his or her desire to retake the examination at
31 least thirty days prior to the date of the examination. Each
32 time the examination is retaken, the applicant shall pay a new
33 examination fee in an amount established by the board;

34 [(6)] (5) Has been employed full time in funeral service in
35 a licensed funeral establishment and has personally embalmed at
36 least twenty-five dead human bodies under the personal

1 supervision of an embalmer who holds a current and valid Missouri
2 embalmer's license or an embalmer who holds a current and valid
3 embalmer's license in a state with which the Missouri board has
4 entered into a reciprocity agreement during an apprenticeship of
5 not less than twelve consecutive months. "Personal supervision"
6 means that the licensed embalmer shall be physically present
7 during the entire embalming process in the first six months of
8 the apprenticeship period and physically present at the beginning
9 of the embalming process and available for consultation and
10 personal inspection within a period of not more than one hour in
11 the remaining six months of the apprenticeship period. All
12 transcripts and other records filed with the board shall become a
13 part of the board files.

14 4. If the applicant does not [appear for oral examination]
15 complete the application process within the five years after his
16 or her [graduation from an accredited institution of mortuary
17 science education] completion of an approved program, then he or
18 she must file a new application and no fees paid previously shall
19 apply toward the license fee.

20 5. Examinations required by this section and section
21 333.042 shall be held at least twice a year at times and places
22 fixed by the board. The board shall by rule and regulation
23 prescribe the standard for successful completion of the
24 examinations.

25 6. Upon establishment of his or her qualifications as
26 specified by this section or section 333.042, the board shall
27 issue to the applicant a license to practice funeral directing or
28 embalming, as the case may require, and shall register the
29 applicant as a duly licensed funeral director or a duly licensed
30 embalmer. Any person having the qualifications required by this
31 section and section 333.042 may be granted both a license to
32 practice funeral directing and to practice embalming.

33 7. The board shall, upon request, waive any requirement of
34 this chapter and issue a temporary funeral director's license,
35 valid for six months, to the surviving spouse or next of kin or
36 the personal representative of a licensed funeral director, or to
37 the spouse, next of kin, employee or conservator of a licensed

1 funeral director disabled because of sickness, mental incapacity
2 or injury.

3 333.042. 1. Every person desiring to enter the profession
4 of funeral directing in this state shall make application with
5 the state board of embalmers and funeral directors and pay the
6 current application and examination fees. Except as otherwise
7 provided in section 41.950, applicants not entitled to a license
8 pursuant to section 333.051 shall serve an apprenticeship for at
9 least twelve consecutive months in a funeral establishment
10 licensed for the care and preparation for burial and
11 transportation of the human dead in this state or in another
12 state which has established standards for admission to practice
13 funeral directing equal to, or more stringent than, the
14 requirements for admission to practice funeral directing in this
15 state. The applicant shall devote at least fifteen hours per
16 week to his or her duties as an apprentice under the supervision
17 of a Missouri licensed funeral director. Such applicant shall
18 submit proof to the board, on forms provided by the board, that
19 the applicant has arranged and conducted ten funeral services
20 during the applicant's apprenticeship under the supervision of a
21 Missouri licensed funeral director. Upon completion of the
22 apprenticeship, the applicant shall appear before the board to be
23 tested on the applicant's legal and practical knowledge of
24 funeral directing, funeral home licensing, preneed funeral
25 contracts and the care, custody, shelter, disposition and
26 transportation of dead human bodies. Upon acceptance of the
27 application and fees by the board, an applicant shall have
28 twenty-four months to successfully complete the requirements for
29 licensure found in this section or the application for licensure
30 shall be canceled.

31 2. If a person applies for a limited license to work only
32 in a funeral establishment which is licensed only for cremation,
33 including transportation of dead human bodies to and from the
34 funeral establishment, he or she shall make application, pay the
35 current application and examination fee and successfully complete
36 the Missouri law examination. He or she shall be exempt from the
37 twelve-month apprenticeship required by subsection 1 of this

1 section and the practical examination before the board. If a
2 person has a limited license issued pursuant to this subsection,
3 he or she may obtain a full funeral director's license if he or
4 she fulfills the apprenticeship and successfully completes the
5 funeral director practical examination.

6 3. If an individual is a Missouri licensed embalmer or has
7 [graduated from an institute of mortuary science education]
8 completed a program accredited by the American Board of Funeral
9 Service Education [or], any successor organization [recognized by
10 the United States Department of Education for funeral service
11 education], or other accrediting entity as approved by the board
12 or has successfully completed a course of study in funeral
13 directing offered by [a college] an institution accredited by a
14 recognized national, regional or state accrediting body and
15 approved by the state board of embalmers and funeral directors,
16 and desires to enter the profession of funeral directing in this
17 state, the individual shall comply with all the requirements for
18 licensure as a funeral director pursuant to subsection 1 of
19 section 333.041 and subsection 1 of this section; however, the
20 individual is exempt from the twelve-month apprenticeship
21 required by subsection 1 of this section.

22 333.051. 1. Any [nonresident] individual holding a valid,
23 unrevoked and unexpired license as a funeral director or embalmer
24 in the state of his or her residence may be granted a license to
25 practice funeral directing or embalming in this state on
26 application to the board and on providing the board with such
27 evidence as to his or her qualifications as is required by the
28 board. [No license shall be granted to a nonresident applicant
29 except one who resides in a county contiguous and adjacent to the
30 state of Missouri and who is regularly engaged in the practice of
31 funeral directing or embalming, as defined by this chapter, at
32 funeral establishments within this state or in an establishment
33 located in a county contiguous and adjacent to the state of
34 Missouri, unless the law of the state of the applicant's
35 residence authorizes the granting of licenses to practice funeral
36 directing in such state to persons licensed as funeral directors
37 under the law of the state of Missouri.]

1 2. Any individual holding a valid, unrevoked and unexpired
2 license as an embalmer or funeral director in another state
3 having requirements substantially similar to those existing in
4 this state [who is or intends to become a resident of this state]
5 may apply for a license to practice in this state by filing with
6 the board a certified statement from the examining board of the
7 state or territory in which the applicant holds his or her
8 license showing the grade rating upon which [his] the license was
9 granted, together with a recommendation, and the board shall
10 grant the applicant a license upon his or her successful
11 completion of an examination over Missouri laws as required in
12 section 333.041 or section 333.042 if the board finds that the
13 applicant's qualifications meet the requirements for funeral
14 directors or embalmers in this state at the time the applicant
15 was originally licensed in the other state.

16 3. A person holding a valid, unrevoked and unexpired
17 license to practice funeral directing or embalming in another
18 state or territory with requirements less than those of this
19 state may, after five consecutive years of active experience as a
20 licensed funeral director or embalmer in that state, apply for a
21 license to practice in this state after passing a test to prove
22 his or her proficiency, including but not limited to a knowledge
23 of the laws and regulations of this state as to funeral directing
24 and embalming.

25 333.061. 1. No funeral establishment shall be operated in
26 this state unless the owner or operator thereof has a license
27 issued by the board.

28 2. A license for the operation of a funeral establishment
29 shall be issued by the board, if the board finds:

30 (1) That the establishment is under the general management
31 and the supervision of a duly licensed funeral director;

32 (2) That all embalming performed therein is performed by or
33 under the direct supervision of a duly licensed embalmer;

34 (3) That any place in the funeral establishment where
35 embalming is conducted contains a preparation room with a
36 sanitary floor, walls and ceiling, and adequate sanitary drainage
37 and disposal facilities including running water, and complies

1 with the sanitary standard prescribed by the department of health
2 and senior services for the prevention of the spread of
3 contagious, infectious or communicable diseases;

4 (4) Each funeral establishment shall have [available in the
5 preparation or embalming room] a register book or log which shall
6 be available at all times [in full view] for the board's
7 inspector and [the name of each body embalmed, place, if other
8 than at the establishment, the date and time that the embalming
9 took place, the name and signature of the embalmer and the
10 embalmer's license number shall be noted in the book] that shall
11 contain:

12 (a) The name of each body that has been in the
13 establishment;

14 (b) The date the body arrived at the establishment;

15 (c) If applicable, the place of embalming, if known; and

16 (d) If the body was embalmed at the establishment, the date
17 and time that the embalming took place, and the name, signature,
18 and license number of the embalmer; and

19 (5) The establishment complies with all applicable state,
20 county or municipal zoning ordinances and regulations.

21 3. The board shall grant or deny each application for a
22 license pursuant to this section within thirty days after it is
23 filed. The applicant may request in writing up to two thirty-day
24 extensions of the application, provided the request for an
25 extension is received by the board prior to the expiration of the
26 thirty-day application or extension period.

27 4. Licenses shall be issued pursuant to this section upon
28 application and the payment of a funeral establishment fee and
29 shall be renewed at the end of the licensing period on the
30 establishment's renewal date.

31 5. The board may refuse to renew or may suspend or revoke
32 any license issued pursuant to this section if it finds, after
33 hearing, that the funeral establishment does not meet any of the
34 requirements set forth in this section as conditions for the
35 issuance of a license, or for the violation by the owner of the
36 funeral establishment of any of the provisions of section
37 333.121. No new license shall be issued to the owner of a

1 funeral establishment or to any corporation controlled by such
2 owner for three years after the revocation of the license of the
3 owner or of a corporation controlled by the owner. Before any
4 action is taken pursuant to this subsection the procedure for
5 notice and hearing as prescribed by section 333.121 shall be
6 followed.

7 333.091. [Each establishment, funeral director or embalmer
8 receiving a license under this chapter shall have recorded in the
9 office of the local registrar of vital statistics of the
10 registration district in which the licensee practices.] All
11 licenses or registrations, or duplicates thereof, issued pursuant
12 to this chapter shall be displayed at each place of business.

13 333.151. 1. The state board of embalmers and funeral
14 directors shall consist of ten members, including one voting
15 public member appointed by the governor with the advice and
16 consent of the senate. Each member, other than the public
17 member, appointed shall possess either a license to practice
18 embalming or a license to practice funeral directing in this
19 state or both said licenses and shall have been actively engaged
20 in the practice of embalming or funeral directing for a period of
21 five years next before his or her appointment. Each member shall
22 be a United States citizen, a resident of this state for a period
23 of at least one year, a qualified voter of this state and shall
24 be of good moral character. Not more than five members of the
25 board shall be of the same political party. The nonpublic
26 members shall be appointed by the governor, with the advice and
27 consent of the senate[, one from each of the state's
28 congressional districts be of good moral character and submit an
29 audited financial statement of their funeral establishment by an
30 independent auditor for the previous five years. This audited
31 financial statement must include all at-need and preneed
32 business]. A majority of the members shall constitute a quorum.
33 Members shall be appointed to represent diversity in gender,
34 race, ethnicity, and the various geographic regions of the state.

35 2. Each member of the board shall serve for a term of five
36 years. Any vacancy on the board shall be filled by the governor
37 and the person appointed to fill the vacancy shall possess the

1 qualifications required by this chapter and shall serve until the
2 end of the unexpired term of his or her predecessor, if any.

3 3. The public member shall be at the time of his or her
4 appointment a person who is not and never was a member of any
5 profession licensed or regulated pursuant to this chapter or the
6 spouse of such person; and a person who does not have and never
7 has had a material, financial interest in either the providing of
8 the professional services regulated by this chapter, or an
9 activity or organization directly related to any profession
10 licensed or regulated pursuant to this chapter. All members,
11 including public members, shall be chosen from lists submitted by
12 the director of the division of professional registration. The
13 duties of the public member shall not include the determination
14 of the technical requirements to be met for licensure or whether
15 any person meets such technical requirements or of the technical
16 competence or technical judgment of a licensee or a candidate for
17 licensure.

18 333.171. The board shall hold at least two regular meetings
19 each year for the purpose of administering examinations at times
20 and places fixed by the board. Other meetings shall be held at
21 the times fixed by regulations of the board or on the call of the
22 chairman of the board. Notice of the time and place of each
23 regular or special meeting shall be mailed by the executive
24 secretary to each member of the board at least five days before
25 the date of the meeting. [At all meetings of the board three
26 members constitute a quorum.] The board may adopt and use a
27 common seal."; and

28 Further amend said bill, Page 34, Section 339.190, Line 43,
29 by inserting after all of said line the following:

30 "436.405. 1. As used in sections 436.400 to 436.520,
31 unless the context otherwise requires, the following terms shall
32 mean:

33 (1) "Beneficiary", the individual who is to be the subject
34 of the disposition or who will receive funeral services,
35 facilities, or merchandise described in a preneed contract;

36 (2) "Board", the board of embalmers and funeral directors;

37 (3) "Guaranteed contract", a preneed contract in which the

1 seller promises, assures, or guarantees to the purchaser that all
2 or any portion of the costs for the disposition, services,
3 facilities, or merchandise identified in a preneed contract will
4 be no greater than the amount designated in the contract upon the
5 preneed beneficiary's death or that such costs will be otherwise
6 limited or restricted;

7 [(3)] (4) "Insurance-funded preneed contract", a preneed
8 contract which is designated to be funded by payments or proceeds
9 from an insurance policy or [single premium] a deferred annuity
10 contract that is not classified as a variable annuity and has
11 death benefit proceeds that are never less than the sum of
12 premiums paid;

13 [(4)] (5) "Joint account-funded preneed contract", a
14 preneed contract which designates that payments for the preneed
15 contract made by or on behalf of the purchaser will be deposited
16 and maintained in a joint account in the names of the purchaser
17 and seller, as provided in this chapter;

18 [(5)] (6) "Market value", a fair market value:

19 (a) As to cash, the amount thereof;

20 (b) As to a security as of any date, the price for the
21 security as of that date obtained from a generally recognized
22 source, or to the extent no generally recognized source exists,
23 the price to sell the security in an orderly transaction between
24 unrelated market participants at the measurement date; and

25 (c) As to any other asset, the price to sell the asset in
26 an orderly transaction between unrelated market participants at
27 the measurement date consistent with statements of financial
28 accounting standards;

29 [(6)] (7) "Nonguaranteed contract", a preneed contract in
30 which the seller does not promise, assure, or guarantee that all
31 or any portion of the costs for the disposition, facilities,
32 service, or merchandise identified in a preneed contract will be
33 limited to the amount designated in the contract upon the preneed
34 beneficiary's death or that such costs will be otherwise limited
35 or restricted;

36 [(7)] (8) "Preneed contract", any contract or other
37 arrangement which provides for the final disposition in Missouri

1 of a dead human body, funeral or burial services or facilities,
2 or funeral merchandise, where such disposition, services,
3 facilities, or merchandise are not immediately required. Such
4 contracts include, but are not limited to, agreements providing
5 for a membership fee or any other fee for the purpose of
6 furnishing final disposition, funeral or burial services or
7 facilities, or funeral merchandise at a discount or at a future
8 date;

9 [(8)] (9) "Preneed trust", a trust to receive deposits of,
10 administer, and disburse payments received under preneed
11 contracts, together with income thereon;

12 [(9)] (10) "Purchaser", the person who is obligated to pay
13 under a preneed contract;

14 [(10)] (11) "Trustee", the trustee of a preneed trust,
15 including successor trustees;

16 [(11)] (12) "Trust-funded preneed contract", a preneed
17 contract which provides that payments for the preneed contract
18 shall be deposited and maintained in trust.

19 2. All terms defined in chapter 333 shall be deemed to have
20 the same meaning when used in sections 436.400 to 436.520.

21 436.412. Each preneed contract made before August 28, 2009,
22 and all payments and disbursements under such contract shall
23 continue to be governed by this chapter as the chapter existed at
24 the time the contract was made. Any licensee or registrant of
25 the board may be disciplined for violation of any provision of
26 sections 436.005 to 436.071 within the applicable statute of
27 limitations. [In addition, the provisions of section 436.031, as
28 it existed on August 27, 2009, shall continue to govern
29 disbursements to the seller from the trust and payment of trust
30 expenses.] Joint accounts in existence as of August 27, 2009,
31 shall continue to be governed by the provisions of section
32 436.053, as that section existed on August 27, 2009.

33 436.445. A trustee of any preneed trust, including trusts
34 established before August 28, 2009, shall not after August 28,
35 2009, make any decisions to invest any trust fund with:

36 (1) The spouse of the trustee;

37 (2) The descendants, siblings, parents, or spouses of a

1 seller or an officer, manager, director or employee of a seller,
2 provider, or preneed agent;

3 (3) Agents, other than authorized external investment
4 advisors as authorized by section 436.440, or attorneys of a
5 trustee, seller, or provider; or

6 (4) A corporation or other person or enterprise in which
7 the trustee, seller, or provider owns a controlling interest or
8 has an interest that might affect the trustee's judgment.

9 436.450. 1. An insurance-funded preneed contract shall
10 comply with sections 436.400 to 436.520 and the specific
11 requirements of this section.

12 2. A seller, provider, or any preneed agent shall not
13 receive or collect from the purchaser of an insurance-funded
14 preneed contract any amount in excess of what is required to pay
15 the premiums on the insurance policy as assessed or required by
16 the insurer as premium payments for the insurance policy except
17 for any amount required or authorized by this chapter or by rule.
18 A seller shall not receive or collect any administrative or other
19 fee from the purchaser for or in connection with an
20 insurance-funded preneed contract, other than those fees or
21 amounts assessed by the insurer. As of August 29, 2009, no
22 preneed seller, provider, or agent shall use any existing preneed
23 contract as collateral or security pledged for a loan or take
24 preneed funds of any existing preneed contract as a loan for any
25 purpose other than as authorized by this chapter.

26 3. Payments collected by or on behalf of a seller for an
27 insurance-funded preneed contract shall be promptly remitted to
28 the insurer or the insurer's designee as required by the insurer;
29 provided that payments shall not be retained or held by the
30 seller or preneed agent for more than thirty days from the date
31 of receipt.

32 4. It is unlawful for a seller, provider, or preneed agent
33 to procure or accept a loan against any insurance contract used
34 to fund a preneed contract.

35 5. Laws regulating insurance shall not apply to preneed
36 contracts, but shall apply to any insurance or [single premium]
37 annuity sold with a preneed contract; provided, however, the

1 provisions of [this act] sections 436.400 to 436.520 shall not
2 apply to [single premium] annuities or insurance policies
3 regulated by chapters 374, 375, and 376 used to fund preneed
4 funeral agreements, contracts, or programs.

5 6. This section shall apply to all preneed contracts
6 including those entered into before August 28, 2009.

7 7. For any insurance-funded preneed contract sold after
8 August 28, 2009, the following shall apply:

9 (1) The purchaser or beneficiary shall be the owner of the
10 insurance policy purchased to fund a preneed contract; and

11 (2) An insurance-funded preneed contract shall be valid and
12 enforceable only if the seller or provider is named as the
13 beneficiary or assignee of the life insurance policy funding the
14 contract.

15 8. If the proceeds of the life insurance policy exceed the
16 actual cost of the goods and services provided pursuant to the
17 nonguaranteed preneed contract, any overage shall be paid to the
18 estate of the beneficiary, or, if the beneficiary received public
19 assistance, to the state of Missouri.

20 436.455. 1. A joint account-funded preneed contract shall
21 comply with sections 436.400 to 436.520 and the specific
22 requirements of this section.

23 2. In lieu of a trust-funded or insurance-funded preneed
24 contract, the seller and the purchaser may agree in writing that
25 all funds paid by the purchaser or beneficiary for the preneed
26 contract shall be deposited with a financial institution
27 chartered and regulated by the federal or state government
28 authorized to do business in Missouri in an account in the joint
29 names and under the joint control of the seller and purchaser,
30 beneficiary or party holding power of attorney over the
31 beneficiary's estate, or in an account titled in the
32 beneficiary's name and payable on the beneficiary's death to the
33 seller. There shall be a separate joint account established for
34 each preneed contract sold or arranged under this section. Funds
35 shall only be withdrawn or paid from the account upon the
36 signatures of both the seller and the purchaser or under a
37 pay-on-death designation or as required to pay reasonable

1 expenses of administering the account.

2 3. All consideration paid by the purchaser under a joint
3 account-funded contract shall be deposited into a joint account
4 as authorized by this section within ten days of receipt of
5 payment by the seller.

6 4. The financial institution shall hold, invest, and
7 reinvest funds deposited under this section in other accounts
8 offered to depositors by the financial institutions as provided
9 in the written agreement of the purchaser and the seller,
10 provided the financial institution shall not invest or reinvest
11 any funds deposited under this section in term life insurance or
12 any investment that does not reasonably have the potential to
13 gain income or increase in value.

14 5. Income generated by preneed funds deposited under this
15 section shall be used to pay the reasonable expenses of
16 administering the account as charged by the financial institution
17 and the balance of the income shall be distributed or reinvested
18 upon fulfillment of the contract, cancellation or transfer
19 pursuant to the provisions of this chapter.

20 6. Within fifteen days after a provider [and a witness
21 certify to the financial institution in writing] delivers a copy
22 of a certificate of performance to the seller, signed by the
23 provider and the person authorized to make arrangements on behalf
24 of the beneficiary, certifying that the provider has furnished
25 the final disposition, funeral, and burial services and
26 facilities, and merchandise as required by the preneed contract,
27 or has provided alternative funeral benefits for the beneficiary
28 under special arrangements made with the purchaser, the
29 [financial institution shall distribute the deposited funds to
30 the seller if the certification has been approved by the
31 purchaser] seller shall take whatever steps are required by the
32 financial institution to secure payment of the funds from the
33 financial institution. The seller shall pay the provider within
34 ten days of receipt of funds.

35 7. Any seller, provider, or preneed agent shall not procure
36 or accept a loan against any investment, or asset of, or
37 belonging to a joint account. As of August 28, 2009, it shall be

1 prohibited to use any existing preneed contract as collateral or
2 security pledged for a loan, or take preneed funds of any
3 existing preneed contract as a loan or for any purpose other than
4 as authorized by this chapter.

5 436.456. At any time before final disposition, or before
6 the funeral or burial services, facilities, or merchandise
7 described in a preneed contract are furnished, the purchaser may
8 cancel the contract, if designated as revocable, without cause.
9 In order to cancel the contract the purchaser shall:

10 (1) In the case of a joint account-funded preneed contract,
11 deliver written notice of the cancellation to the seller [and the
12 financial institution]. Within fifteen days of receipt of notice
13 of the cancellation, the [financial institution shall distribute
14 all deposited funds to the purchaser] seller shall take whatever
15 steps may be required by the financial institution to obtain the
16 funds from the financial institution. Upon receipt of the funds
17 from the financial institution, the seller shall distribute the
18 principal to the purchaser. Interest shall be distributed as
19 provided in the agreement with the seller and purchaser;

20 (2) In the case of an insurance-funded preneed contract,
21 deliver written notice of the cancellation to the seller. Within
22 fifteen days of receipt of notice of the cancellation, the seller
23 shall notify the purchaser that the cancellation of the contract
24 shall not cancel any life insurance funding the contract and that
25 insurance cancellation is required to be made in writing to the
26 insurer;

27 (3) In the case of a trust-funded preneed contract, deliver
28 written notice of the cancellation to the seller and trustee.
29 Within fifteen days of receipt of notice of the cancellation, the
30 trustee shall distribute one hundred percent of the trust
31 property including any percentage of the total payments received
32 on the trust-funded contract that have been withdrawn from the
33 account under subsection 4 of section 436.430 but excluding the
34 income, to the purchaser of the contract;

35 (4) In the case of a guaranteed installment payment
36 contract where the beneficiary dies before all installments have
37 been paid, the purchaser shall pay the seller the amount

1 remaining due under the contract in order to receive the goods
2 and services set out in the contract, otherwise the purchaser or
3 their estate will receive full credit for all payments the
4 purchaser has made towards the cost of the beneficiary's funeral
5 at the provider current prices."; and

6 Further amend said title, enacting clause and intersectional
7 references accordingly.