

HB 1598 -- PRENEED CONTRACTS

SPONSOR: Fraker

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Professional Registration and Licensing by a vote of 7 to 3. Voted "Do Pass" by the Rules- Administrative Oversight Committee by a vote of 13 to 0.

This bill concerns the validity of preneed contracts or other arrangements made in advance to provide for the disposition of a body after death. This bill requires that the obligations established by a preneed contract or provider-seller contractual agreement will not cease because a provider or seller fails to renew his or her license after the agreement is made, or has his or her license revoked or suspended, provided they had valid licenses at the time the agreement was entered into. However, if a seller's license is suspended because he or she failed to file his or her annual report in a timely manner, any preneed contract entered into while the license was suspended is void. Any such contract must be rewritten after the license is reinstated or a full refund must be issued to the purchaser of the contract. A provider must still have a valid and current funeral establishment license at the time of providing the funeral or burial services described in the contract.

This bill is the same as HB 910 (2017) and HB 2523 (2016).

PROPONENTS: Supporters say that this bill helps consumers by ensuring that existing preneed contracts are enforced.

Testifying for the bill was Representative Fraker.

OPPONENTS: There was no opposition voiced to the committee.