

SB0415/544433/1

BY: Education, Health, and Environmental Affairs Committee

AMENDMENTS TO SENATE BILL 415
(First Reading File Bill)

AMENDMENT NO. 1

On page 1, in line 4, after the second “contract” insert “, guaranteed in part contract,”; in line 6, after “guaranteed;” insert “requiring certain disclosure statements to contain a certain statement and certain amounts paid under certain contracts;”; in line 9, after the first “contracts” insert “, guaranteed in part contracts,”; in the same line, after “items” insert “or goods and services”; and in line 10, after “guaranteed;” insert “providing that a pre-need escrow or trust account may not be deemed an asset of certain licensees; requiring certain escrow and trust accounts to be established and held in a certain manner; requiring certain buyers to receive certain statements; altering the circumstances under which a pre-need contract may be funded by a life insurance policy or an annuity contract;”.

AMENDMENT NO. 2

On page 2, in line 16, after “THAT” insert “:

(I) IS SIGNED BY THE CONSUMER AND A LICENSEE OF A LICENSED FUNERAL ESTABLISHMENT; AND

(II)”;

in the same line, strike “GUARANTEES” and substitute “GUARANTEES”; in the same line, strike “OR IN PART”; after line 17, insert:

“(5) “GUARANTEED IN PART CONTRACT” MEANS A WRITTEN PRE-NEED CONTRACT THAT:

(Over)

(I) IS SIGNED BY THE CONSUMER AND A LICENSEE OF A LICENSED FUNERAL ESTABLISHMENT; AND

(II) GUARANTEES IN PART THE PRICE OF GOODS AND SERVICES AND CASH ADVANCE ITEMS SPECIFIED IN THE CONTRACT.”;

in lines 18, 26, and 28, strike “(5)”, “(6)”, and “(7)”, respectively, and substitute “(6)”, “(7)”, and “(8)”, respectively; after line 19, insert:

“(I) THAT IS SIGNED BY THE CONSUMER AND A LICENSEE OF A LICENSED FUNERAL ESTABLISHMENT;”;

in lines 20 and 22, strike “(I)” and “(II)”, respectively, and substitute “(II)” and “(III)”, respectively; in line 23, after “DEPOSIT” insert “OR PARTIAL PAYMENT”; and in line 24, strike “MERCHANDISE” and substitute “SERVICES”.

AMENDMENT NO. 3

On page 3, strike beginning with “Lists” in line 19 down through “contract” in line 21 and substitute “STATES THAT “NOT ALL CHARGES THAT MAY BE REQUIRED TO BE PAID AT THE TIME OF NEED ARE LISTED IN THIS CONTRACT””; in line 23, after the first “CONTRACT” insert “, A GUARANTEED IN PART CONTRACT,”; strike beginning with “A” in line 24 down through “LISTS” in line 25 and substitute “THE CONTRACT IS A GUARANTEED IN PART CONTRACT:

A. LISTS”;

in line 26, after “GUARANTEE” insert “; AND

B. IDENTIFIES IN AT LEAST 14 POINT BOLD FACE TYPE ABOVE EACH SECTION OF THE CONTRACT WHETHER THE SECTION IS FULLY GUARANTEED OR NOT GUARANTEED”;

in the same line, strike “AND”; after line 28, insert:

“(IV) A LINE TOTALING:

1. THE GUARANTEED AMOUNT PAID; AND

2. THE AMOUNT FOR NONGUARANTEED ITEMS THAT ARE CONSIDERED TO BE ONLY A DOWN PAYMENT TOWARD FUTURE TOTAL COST; AND”;

and in line 29, strike “(IV)” and substitute “(V)”.

AMENDMENT NO. 4

On page 4, in line 1, after “CONTRACT” insert “**, A GUARANTEED IN PART CONTRACT,**”; in line 3, after “ITEMS” insert “**OR GOODS AND SERVICES**”; and strike beginning with “A” in line 23 down through “contract” in line 24 and substitute “**(I) A PRE-NEED ESCROW OR TRUST ACCOUNT MAY NOT BE DEEMED AN ASSET OF:**

1. THE INDIVIDUAL LICENSEE; OR

2. THE LICENSED FUNERAL ESTABLISHMENT.

(II) A PRE-NEED ESCROW OR TRUST ACCOUNT WITH A BANKING INSTITUTION OR SAVINGS AND LOAN ASSOCIATION DESCRIBED IN PARAGRAPH (2) OF THIS SUBSECTION SHALL BE:

(Over)

1. ESTABLISHED USING THE NAME, ADDRESS, AND SOCIAL SECURITY NUMBER OF THE BUYER; AND

2. HELD IN TRUST FOR THE LICENSED FUNERAL ESTABLISHMENT.

(III) 1. A BUYER FOR WHOM A MONETARY PRE-NEED ESCROW OR TRUST ACCOUNT IS ESTABLISHED UNDER SUBPARAGRAPH (II) OF THIS PARAGRAPH SHALL RECEIVE A STATEMENT REGARDING THE ESCROW OR TRUST ACCOUNT AT LEAST ANNUALLY.

2. THE REQUIREMENT UNDER SUBSUBPARAGRAPH 1 OF THIS SUBPARAGRAPH MAY BE SATISFIED BY A STATEMENT THAT IS:

A. ISSUED BY THE BANKING INSTITUTION OR SAVINGS AND LOAN ASSOCIATION AT WHICH THE ESCROW OR TRUST ACCOUNT IS ESTABLISHED; AND

B. SENT TO THE BUYER”.

AMENDMENT NO. 5

On page 7, in line 1, after “CONTRACT” insert “, A GUARANTEED IN PART CONTRACT,”; in line 4, after “director,” insert “LICENSED FUNERAL ESTABLISHMENT,”; in line 6, after “An” insert “IRREVOCABLE”; strike beginning with “mortician” in line 6 down through “spouse” in line 7 and substitute “LICENSED FUNERAL ESTABLISHMENT:

A.”;

in line 7, strike “may” and substitute “MAY”; in the same line, strike “revoked” and substitute “TRANSFERRED”; and in line 8, after “contract” insert “TO ANY OTHER LICENSED FUNERAL ESTABLISHMENT; AND”

B. MAY NOT BE TRANSFERRED TO THE CONSUMER”.