

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 821
Second Edition Engrossed 5/11/95
House Committee Substitute Favorable 6/13/96

Short Title: Preneed Sales Clarification.

(Public)

Sponsors:

Referred to:

April 25, 1995

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY THE LAW RELATING TO THE PRENEED SALES OF
3 FUNERAL MERCHANDISE.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 90-210.67(a) is amended as follows:

6 "(a) No person may offer or sell preneed funeral contracts or offer to make or make
7 any funded funeral prearrangements without first securing a license from the Board.
8 Notwithstanding any other provision of law, any person who offers to sell or sells a
9 casket, to be furnished or delivered at a time determinable by the death of the person
10 whose body is to be disposed of in the casket, shall first comply with the provisions of
11 this Article. There shall be two types of licenses: a preneed funeral establishment license
12 and a preneed sales license. Only funeral establishments holding a valid establishment
13 permit pursuant to G.S. 90-210.25(d) shall be eligible for preneed funeral establishment
14 license. Employees and agents of such entities, upon meeting the qualifications to
15 engage in preneed funeral planning as established by the Board, shall be eligible for a
16 preneed sales license. The Board shall establish the preneed funeral planning activities
17 that are permitted under a preneed sales license. The Board shall adopt rules establishing
18 such qualifications and activities no later than 12 months following the ratification of this

1 act. Preneed sales licensees may sell preneed funeral contracts, prearrangement
2 insurance policies, and make funded funeral prearrangements only on behalf of one
3 preneed funeral establishment licensee; provided, however, they may sell preneed funeral
4 contracts, prearrangement insurance policies, and make funeral prearrangement for any
5 number of licensed preneed funeral establishments that are wholly owned by or affiliated
6 with, through common ownership or contract, the same entity; provided further, in the
7 event they engage in selling prearrangement insurance policies, they shall meet the
8 licensing requirements of the Commissioner of Insurance. Every preneed funeral
9 contract shall be signed by a person licensed as a funeral director or funeral service
10 licensee pursuant to Article 13A of Chapter 90 of the General Statutes."

11 Sec. 2. This act is effective upon ratification.