

BILL ANALYSIS

Senate Research Center

S.B. 864
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Business & Commerce
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current practice, funeral homes frequently process life insurance claims on behalf of the family of the deceased, either by the funeral home directly or through the use of funding companies to file the claim. Under current law, the funeral home operator can process the claim but is not required to disclose the charge of filing the life insurance claim when offering the service.

S.B. 864 amends current law relating to the regulation of funeral establishments, including requirements for a retail price list of services provided by such establishments.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Funeral Commission is modified in SECTION 1 (Section 651.303, Occupations Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 651.303(b) and (c), Occupations Code, as follows:

(b) Deletes existing text requiring that the terms of employment include service by the provisional license holder of at least 17 hours a week or 73 hours a month and prohibiting the terms from requiring more than 17 hours a week or 73 hours a month.

(c) Requires that the term of the provisional license program be at least 12 consecutive months but not more than 24 consecutive months.

SECTION 2. Amends Section 651.405(a), Occupations Code, to redefine "retail price list" to include the retail price of filing a claim seeking life insurance proceeds on behalf of the beneficiaries.

SECTION 3. Amends Subchapter K, Chapter 651, Occupations Code, by adding Section 651.5011, as follows:

Sec. 651.5011. CHARGING FUNERAL DIRECTOR IN CHARGE WITH VIOLATION. Authorizing the Texas Funeral Commission, in determining whether to charge a funeral director in charge with a violation based on conduct for which a licensed employee of the funeral establishment was directly responsible to consider:

- (1) the nature and seriousness of the violation;
- (2) the extent to which the licensed employee of the funeral establishment whose conduct is the basis of the violation was under the direct supervision of the funeral director in charge or another person at the time the licensed employee engaged in the conduct; and
- (3) the causal connection between the supervision of the licensed employee of the funeral establishment by the funeral director in charge and the conduct engaged in by the licensed employee that is the basis of the violation.

SECTION 4. Effective date: September 1, 2011.