**BILL ANALYSIS**

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| Senate Research Center | S.B. 2721 |
|  | By: Parker et al. |
|  | Health & Human Services |
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|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The 88th Legislature passed S.B. 2040, which abolished the Anatomical Board of the State of Texas (SAB) and transferred its functions to the Texas Funeral Service Commission (TFSC). This shift brought new attention to the sometimes under-regulated realm of non-transplant anatomical donation organizations (NADOs) and willed body programs. Soon after, investigative reporting disclosed grave missteps in the handling of unclaimed and donated remains—including instances where families were never notified that a relative's body was taken for research or training, misuse of donated anatomical parts by middlemen, and a lack of uniform, enforceable standards for procuring, dissecting, and distributing human remains.

S.B. 2721 emerged from this heightened scrutiny and stakeholder feedback, identifying significant deficiencies in the current statutory framework for regulating how bodies of the deceased—particularly those unclaimed or intended for anatomical donation—are acquired, stored, dissected, and ultimately laid to rest. Rather than stifling legitimate medical education and research, S.B. 2721 aims to ensure that donors' rights are better protected, that unclaimed remains receive dignified care, and that robust regulatory oversight and accountability bring transparency to the industry.

S.B. 2721 seeks to respond to the growing need for clear regulations that safeguard the dignity and rights of individuals in Texas whose remains are used for research, training, or forensic study. Building on concerns first brought to light when the duties of the Anatomical Board of the State of Texas were transferred to the Texas Funeral Service Commission, this measure aims to ensure that all unclaimed and donated bodies are treated with respect, and that family members—when identifiable—receive proper notification and have an opportunity to exercise their legal rights over a loved one's remains.

By adding licensing requirements, instituting stricter inspection protocols, and creating clearer pathways for accountability, S.B. 2721 curbs misuse of the non-transplant anatomical donation system and closes regulatory loopholes that have eroded public trust. Crucially, the bill also strengthens processes for documenting and tracking each body or anatomical specimen, preserving transparency for next of kin and fostering confidence in the legitimate scientific and educational uses of donated remains. Through these reforms, Texas upholds higher ethical standards, provides greater oversight to protect against abuses, and continues to enable the advancement of vital medical research and training programs.

As proposed, S.B. 2721 amends current law relating to the licensing and regulation of persons who provide services in relation to the deceased, creates a criminal offense and increases the punishment for an existing criminal offense, and expands the application of a fee.

**RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Funeral Services Commission is modified in SECTION 7 (Section 691.002, Health and Safety Code) of this bill.

Rulemaking authority is expressly granted to the Texas Funeral Services Commission in SECTION 10 (Section 691.0235, Health and Safety Code) and SECTION 26 (Section 651.411, Health and Safety Code) of this bill.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 691.001, Health and Safety Code, as follows:

Sec. 691.001. DEFINITIONS. Defines "advancement of medical or forensic science," "authorized recipient," "body segment," and "human body acquisition service" and redefines "body," "anatomical specimen," "non-transplant anatomical donation organization," and "willed body program." Deletes existing definition of "anatomical facility."

SECTION 2. Amends Section 691.002(b), Health and Safety Code, as follows:

(b) Provides that the State Anatomical Advisory Committee (advisory committee) is composed of seven members appointed by the Texas Funeral Service Commission (TFSC). Deletes existing text providing that the committee is composed of seven certain individuals appointed by TFSC.

SECTION 3. Amends Subchapter A, Chapter 691, Health and Safety Code, by adding Sections 691.003 and 691.004, as follows:

Sec. 691.003. RECORDS. Requires TFSC, in addition to the records required to be maintained by TFSC under Sections 691.011 (Records) and 691.031 (Transportation of Bodies; Records), to maintain a secure electronic database, accessible to persons designated by the person giving informed consent under Section 691.0235, that contains the informed consent documentation provided to TFSC by the anatomical facility, non-transplant anatomical donation organization, willed body program, and authorized recipient, along with a unique identifier for every whole body, body segment, part, or non-transplant anatomical part tied to the donor. Requires each human body acquisition service facility, non-transplant anatomical donation organization, willed body program, and authorized recipient to tag each whole body, body segment, part, or non-transplant anatomical part with the unique identifier prior to transfer to the authorized recipient, who is required to update the database with the current location of the whole body, body segment, part, or non-transplant anatomical part until final disposition.

Sec. 691.004. ENFORCEMENT AND CRIMINAL PENALTY. (a) Provides that each human body acquisition service facility, non-transplant anatomical donation organization, willed body program, and authorized recipient is subject to regulation, including investigations and enforcement, under Chapter 691 (Donation of Bodies and Anatomical Specimens).

(b) Authorizes TFSC, or TFSC's executive director, on sufficient cause as determined by TFSC, to immediately revoke authorization for any human body acquisition service or authorized recipient to operate in this state to ensure compliance with this chapter or TFSC rule.

(c) Provides that a person who knowingly violates this chapter commits an offense.

(d) Provides that an offense under this section is a state jail felony.

SECTION 4. Amends Sections 691.010(b) and (c), Health and Safety Code, as follows:

(b) Authorizes TFSC to provide for that notification by including the information on each written contract relating to bodies willed or donated to an entity licensed or regulated by TFSC or otherwise authorized by TFSC to receive bodies.

(c) Requires TFSC, if a written complaint is filed with TFSC relating to a person licensed or regulated, rather than a person or an entity regulated, by TFSC under this chapter, to periodically notify the parties to the complaint of the status of the complaint until final disposition unless notice would jeopardize an undercover investigation.

SECTION 5. Amends Section 691.011, Health and Safety Code, as follows:

Sec. 691.011. RECORDS. Requires TFSC to keep identification records of each body or anatomical specimen for which TFSC authorizes distribution. Deletes existing text requiring TFSC to keep identification records of each body donated to TFSC and of each body or anatomical specimen distributed by TFSC.

SECTION 6. Amends Section 691.012, Health and Safety Code, as follows:

Sec. 691.012. FEES. Authorizes TFSC by rule to set and collect fees in amounts reasonable and necessary to cover the cost of administering this chapter, including fees for:

(1) authorizing the receipt and distribution of, rather than receiving and distributing, bodies and anatomical specimens;

(2) makes no changes to this subdivision; and

(3) licensing, willed body programs, authorized recipients, anatomical facilities, and non-transplant anatomical donation organizations, rather than registering willed body programs and non-transplant anatomical donation organizations.

Deletes text of existing Subsection (b) exempting a non-transplant anatomical donation organization from a fee described by existing Subsection (a)(1) (relating to fees to cover the cost of receiving and distributing bodies and anatomical specimens). Makes a nonsubstantive change.

SECTION 7. Amends Section 691.022, Health and Safety Code, as follows:

Sec. 691.022. GENERAL DUTIES. (a) Requires TFSC to authorize the distribution of bodies, rather than distribute bodies, and anatomical specimens to persons authorized to receive a body or specimen under this chapter or Chapter 692A (Revised Uniform Anatomical Gift Act). Deletes existing text providing that this subsection does not apply to a body or specimen donated to a registered non-transplant anatomical donation organization.

(b) Requires TFSC to adopt rules to prohibit a licensed human body acquisition service, authorized recipient, willed body program, or non-transplant anatomical donation organization from accepting any donation of a body or anatomical specimen, including a direct donation, unless TFSC authorizes the facility to receive the donation and to ensure that each body and anatomical specimen is treated with respect while in the custody of the person, rather than of TFSC or the person, authorized to receive the body or specimen.

(c) Requires TFSC to adopt rules, establish procedures, and prescribe forms necessary to administer and enforce this chapter, including rules establishing licensing, rather than registration, and inspection requirements and procedures. Authorizes TFSC to issue a reprimand, assess an administrative penalty, impose other penalties, or revoke, suspend, or probate a license, rather than a registration or other authorization, for a violation of this chapter or a TFSC rule adopted under this chapter, including a violation related to an inspection conducted under Section 691.034, in the manner provided by Chapter 651 (Crematory Services, Funeral Directing, and Embalming), Occupations Code.

SECTION 8. Amends the heading to Section 691.023, Health and Safety Code, to read as follows:

Sec. 691.023. DUTY REGARDING CERTAIN BODIES.

SECTION 9. Amends Section 691.023(a), Health and Safety Code, as follows:

(a) Deletes existing text requiring an officer, employee, or representative of the state, of a political subdivision, or of an institution having charge or control of a body not claimed for burial or a body required to be buried at public expense to allow TFSC, TFSC's representative, or a physician designated by TFSC who complies with this chapter to remove the body to be used for the advancement of medical or forensic science. Makes nonsubstantive changes.

SECTION 10. Amends Subchapter B, Chapter 691, Health and Safety Code, by adding Section 691.0235, as follows:

Sec. 691.0235. PERSONS AUTHORIZED TO DONATE BODY FOR ADVANCEMENT OF MEDICAL OR FORENSIC SCIENCE. (a) Prohibits a person, notwithstanding any other provision of this chapter, but subject to Subsections (b) and (c), from donating a body not claimed for burial or a body required to be buried at public expense to a willed body program, a non-transplant anatomical donation organization, or another donee licensed by TFSC for use of the body in the advancement of medical or forensic science.

(b) Authorizes a donor by will or other written instrument in accordance with Section 691.028 (Donation of Body by Written Instrument) to donate the donor's body to an entity described by Subsection (a).

(c) Authorizes a person who is authorized to claim a decedent's body for burial under Section 691.024 (Persons Who May Claim Body For Burial) to provide informed consent for the body to be donated to an entity described by Subsection (a).

(d) Requires TFSC to adopt rules necessary to implement this section.

SECTION 11. Amends Section 691.025(d), Health and Safety Code, to authorize a relative of the deceased to claim the body within 60 days after the body has been delivered to an institution or other entity licensed under this chapter and authorized to receive the body.

SECTION 12. Amends Sections 691.028(a) and (b), Health and Safety Code, as follows:

(a) Authorizes an adult living in this state who is of sound mind to donate the adult's body by will or other written instrument to TFSC, a willed body program, rather than a willed body program of a medical or dental school, a non-transplant anatomical donation organization, or another donee in this state as authorized by TFSC to be used for the advancement of medical or forensic science. Prohibits a donor from donating the donor's body to an entity located outside of this state unless TFSC in writing authorizes the donation.

(b) Requires the donor, to be effective, to provide informed consent by signing a written instrument on a form prescribed by TFSC in the presence of two adult witnesses. Requires the donor to use TFSC's form in making the donation. Requires the written instrument to clearly convey certain information, including the donor's acknowledgment that the donor was informed about the use the donee plans for the donated body parts, which are required to comply with this chapter and TFSC rules.

Deletes existing text requiring that, for the donation to be effective, the donor provide informed consent by signing the will or other written instrument and requires that the instrument be witnessed by two adults. Deletes existing text providing that the donor is not required to use a particular form or particular words in making the donation, but the will or other instrument is required to clearly convey certain information from the donor.

SECTION 13. Amends Sections 691.030(a), (b), and (c), Health and Safety Code, as follows:

(a) Requires TFSC to authorize the distribution or redistribution of bodies donated to persons licensed by TFSC to willed body programs of schools and colleges incorporated in this state, physicians licensed to practice in this state, anatomical facilities, and authorized recipients.

Deletes existing text requiring TFSC or TFSC's representative to distribute bodies donated to it and authorizing TFSC to redistribute bodies donated to medical or dental schools or other donees authorized by TFSC to willed body programs of schools and colleges of chiropractic, osteopathy, medicine, or dentistry incorporated in this state, forensic science programs, search and rescue organizations or recovery teams that are recognized by TFSC, are exempt from federal taxation under Section 501(c)(3), Internal Revenue Code of 1986, and use human remains detection canines with the authorization of a local or county law enforcement agency, and other persons as provided by this section. Makes nonsubstantive changes.

(b) Requires TFSC, in authorizing the distribution, rather than in making the distribution, to give first priority to the schools and colleges of medicine in this state and second priority to schools and colleges that need bodies for lectures and demonstrations.

(c) Requires TFSC, if TFSC has remaining bodies, to authorize the distribution or redistribution of those bodies to the schools and colleges proportionately and equitably according to the number of students in each school or college receiving instruction or demonstration in normal or morbid anatomy and operative surgery. Makes conforming changes.

SECTION 14. Amends Section 691.031, Health and Safety Code, by adding Subsection (a-1) to require TFSC, in the rules TFSC adopts under Subsection (a) (relating to the requirement that TFSC develop procedures for transporting bodies and maintaining records), to include enforcement provisions to ensure that the documentation and labeling requirements of this section are satisfied for each body or anatomical specimen received or distributed under this chapter.

SECTION 15. Amends Section 691.033, Health and Safety Code, by adding Subsections (e) and (f), as follows:

(e) Provides that only a licensed willed body program, non-transplant anatomical donation organization, authorized recipient, or human body acquisition service is permitted to effectuate the final disposition of a body distributed under this chapter, exclusively by a TFSC-licensed, flame-based cremation facility in this state.

(f) Requires a willed body program, non-transplant anatomical donation organization, authorized recipient, or human body acquisition service to return an anatomical specimen after use to the person designated by the donor.

SECTION 16. Amends the heading to Section 691.034, Health and Safety Code, to read as follows:

Sec. 691.034. LICENSURE AND REGULATION OF PERSONS AND INSTITUTIONS USING BODIES AND ANATOMICAL SPECIMENS.

SECTION 17. Amends Sections 691.034(a), (a-2), (a-3), (b), (c), (d), and (e), Health and Safety Code, as follows:

(a) Prohibits a willed body program, human body acquisition service, authorized recipient, or non-transplant anatomical donation organization from operating in this state unless the program or organization is licensed by, rather than registers with, TFSC in the form and manner prescribed by TFSC.

(a-2) Requires TFSC to license, rather than requiring TFSC to inspect and authorizing it to approve, willed body programs, non-transplant anatomical donation organizations, and anatomical facilities for the receipt and use of bodies and anatomical specimens under this chapter. Requires TFSC to inspect willed body programs, non-transplant anatomical donation organizations, and anatomical facilities at least once every three years.

(a-3) Requires TFSC to establish a process to periodically verify a non-transplant anatomical donation organization's compliance with state laws and regulations. Deletes existing text requiring TFSC to establish a process to periodically verify a non-transplant anatomical donation organization's compliance with the Standards for Non-Transplant Anatomical Donation published by the American Association of Tissue Banks. Deletes existing text providing that the process is authorized to authorize TFSC to inspect a non-transplant anatomical donation organization and is prohibited from being duplicative of the accreditation process described by Subsection (a-1) (relating to accreditation and registration of non-transplant anatomical donation organizations) or occur more frequently than once every five years.

(b) Authorizes TFSC, to investigate or inspect a willed body program, non-transplant anatomical donation organization, human body acquisition service, authorized recipient, or other person, if TFSC has reason to believe that the program, organization, service, recipient, or person has improperly used a body or anatomical specimen. Makes a conforming change.

(c) Requires TFSC to suspend or revoke a willed body program's, non-transplant anatomical donation organization's, human body acquisition service's, authorized recipient's, or other person's license or other authorization to receive and use or dissect bodies or anatomical specimens if TFSC determines that the program, organization, service, recipient, or person has improperly used a body or anatomical specimen. Makes conforming changes.

(d)-(e) Makes conforming changes to these subsections.

SECTION 18. Amends Section 691.035(b), Health and Safety Code, to provide that an offense under this section is a Class B misdemeanor, rather than is punishable by a fine of not less than $100 or more than $500.

SECTION 19. Amends Subchapter B, Chapter 691, Health and Safety Code, by adding Section 691.036, as follows:

Sec. 691.036. HUMAN BODY ACQUISITION SERVICE FACILITY STANDARDS. Requires TFSC to adopt minimum standards for human body acquisition services licensed under this chapter. Requires that the standards require a human body acquisition service facility to meet certain criteria.

SECTION 20. Amends Section 692A.002, Health and Safety Code, by adding Subdivision (3-a), to define "commission."

SECTION 21. Amends Chapter 692A, Health and Safety Code, by adding Section 692A.0035, to prohibit a person from receiving an anatomical gift as part of a willed body program, as defined by Section 691.001, in this state unless the program is licensed by TFSC.

SECTION 22. Amends Sections 692A.011(a) and (b), Health and Safety Code, as follows:

(a) Authorizes an anatomical gift to be made to the following persons named in the document of gift:

(1)-(3) makes no changes to these subdivisions;

(4) an eye bank or tissue bank, except that use of a gift of a whole body is required to be coordinated through and authorized by TFSC, rather than coordinated through TFSC;

(5) a forensic science program licensed by TFSC at certain educational institutions;

(6) redesignates existing text of Subdivision (7) as Subdivision (6) and makes a conforming change; and

(7) redesignates existing Subdivision (8) as Subdivision (7) and makes conforming changes.

Deletes existing text authorizing an anatomical gift to be made to a search and rescue organization or recovery team that is recognized by TFSC, is exempt from federal taxation under Section 501(c)(3), Internal Revenue Code of 1986, and uses human remains detection canines with the authorization of a local or county law enforcement agency.

(b) Requires TFSC or a licensed non-transplant anatomical donation organization as authorized by TFSC, except for donations described by Subsections (a)(1) through (5) (relating to individuals and organizations to whom an anatomical gift is authorized to be made), rather than (a)(6) (relating to certain search and rescue organizations and law enforcement agencies who use human remains detection canines), to be the donee of gifts of bodies or parts of bodies made for the purpose of education or research that are subject to distribution as authorized by TFSC under Chapter 691, rather than subject to distribution by TFSC or the organization under Chapter 691.

SECTION 23. Amends Section 711.002, Health and Safety Code, by amending Subsection (k) and adding Subsection (k-1), as follows:

(k) Makes no changes to this subsection.

(k-1) Creates this subsection from existing text. Provides that, rather than requires, a cemetery organization or funeral establishment that is aware of a dispute described by Subsection (k) (relating to legal disputes concerning which persons have the right to control a decedent's remains) not be liable for refusing to accept the decedent's remains, or to inter or otherwise dispose of the decedent's remains, until it receives a court order or other suitable confirmation that the dispute has been resolved or settled. Provides that a cemetery organization or funeral establishment that is unaware of a dispute described by Subsection (k) is not liable for disposing of the decedent's remains if the organization or establishment:

(1) reasonably relies in good faith on the representations of a person who states in writing that the person is entitled to control the disposition of the decedent's remains;

(2) disposes of the decedent's remains in accordance with the written directions of the person described by Subdivision (1); and

(3) is unaware, after inquiring of the person described by Subdivision (1), of another person who is listed in a priority before the person described by Subdivision (1).

Makes a nonsubstantive change to this subsection.

SECTION 24. Amends Section 711.008(a), Health and Safety Code, as follows:

(a) Deletes existing text providing exceptions under Subsections (g-3) (relating to applications to establish or use a cemetery in certain municipalities) and (g-4) (relating to applications to establish or use a cemetery in certain counties) to a prohibition on certain entities establishing or operating a cemetery or using certain land for the internment of remains.

SECTION 25. Amends Section 651.202, Occupations Code, by adding Subsection (g), as follows:

(g) Authorizes a TFSC employee, notwithstanding any other provision of Section 651.202 (Complaints), to dismiss a complaint without further investigation under Subsection (c) (relating to requiring TFSC to investigate complaints relating to certain persons in the funeral service industry) if:

(1) the subject matter of the complaint is a funeral service provided under a contract with a license holder and the complainant is not a party to the contract or the person entitled under Section 711.002(a) (relating to the priority list of persons who have certain obligations and the right to control the disposition of the decedent's remains), Health and Safety Code, to control the disposition of the remains of the decedent to whom the service relates; or

(2) regardless of the subject matter of the complaint, the complaint is not accompanied by substantial evidence of a violation of a statute administered by TFSC.

SECTION 26. Amends Subchapter I, Chapter 651, Occupations Code, by adding Section 651.411, as follows:

Sec. 651.411. SCOPE OF SERVICE INVOLVING CERTAIN ANATOMICAL GIFTS. Authorizes TFSC by rule to prescribe the minimum requirements for a licensed funeral establishment to provide a service in relation to an anatomical gift made under Chapter 691 or 692A, Health and Safety Code, that is not intended for transplantation, including requirements for the storage or transportation of the anatomical gift.

SECTION 27. Amends Chapter 651, Occupations Code, by adding Subchapter O, as follows:

SUBCHAPTER O. CIVIL ACTION AGAINST LICENSE HOLDER

Sec. 651.701. LIMITATION ON BRINGING ACTION FOR ACT OR OMISSION RELATED TO REGULATED SERVICE. (a) Prohibits a person from bringing an action against a license holder to recover damages for an act or omission related to a service for which a license is required under Chapter 651 (Crematory Services, Funeral Directing, and Embalming) and provided under a contract unless the person is:

(1) a party to the contract; or

(2) entitled under Section 711.002(a), Health and Safety Code, to control the disposition of the remains of the decedent to whom the service relates.

(b) Provides that, if the person who is authorized to bring an action under Subsection (a)(1) or (2) is incapacitated or otherwise unable to bring the action, the person's legal guardian is authorized to bring the action on the person's behalf.

(c) Requires a funeral establishment, funeral director, or embalmer licensed under the laws of this state, notwithstanding any other provision of law, to be indemnified and held harmless for any preexisting condition, state of decomposition, infestation, or alteration of a deceased human body that existed prior to the time when the funeral establishment, funeral director, or embalmer took custody of the remains from a human body acquisition service facility, authorized recipient, willed body program, or non-transplant anatomical donation organization.

Sec. 651.702. LIMITATION ON NONECONOMIC DAMAGES. (a) Provides that, except as provided by Subsection (b), in an action described by Section 651.701, the civil liability for noneconomic damages of the license holder, inclusive of all persons and entities for which vicarious liability theories may apply, is limited to an amount not to exceed $250,000 for each claimant, regardless of the number of defendants against whom the claim is asserted or the number of separate causes of action on which the claim is based.

(b) Provides that the limitation on civil liability under Subsection (a) does not apply if the act or omission on which the claim is based constitutes gross negligence or intentional misconduct.

Sec. 651.703. IMMUNITY FOR GOOD FAITH RELIANCE ON REPRESENTATIONS OF CERTAIN PERSONS. Provides that a license holder is not liable for an act or omission related to providing a service for which a license is required under this chapter if the license holder with respect to the act or omission reasonably relied in good faith on the representation of a person who conducts an inquest under Chapter 49 (Inquests Upon Dead Bodies), Code of Criminal Procedure, on the body or body part to which the service relates or is a person or institution with charge or control under Chapter 691 or 692A, Health and Safety Code, of the body or body part to which the service relates.

SECTION 28. Repealers: Sections 691.002(c) (relating to providing that members of the advisory committee serve two-year terms) and (d) (relating to TFSC's authority to reappoint advisory committee members), Health and Safety Code.

Repealers: Sections 691.002 (e) (relating to requiring that appointments be made without regard to certain identity characteristics) and (f) (relating to the advisory committee's exemption from certain statutes regulating advisory committees), Health and Safety Code.

Repealer: Section 691.025(c) (relating to requiring a body that is not claimed for burial within 48 hours of notice to a relative to be delivered to TFSC), Health and Safety Code.

Repealers: Sections 691.034(a-1) (relating to accreditation and registration of non-transplant anatomical donation organizations) and (f) (relating to prohibiting TFSC and TFSC license holders from holding an ownership interest in a non-transplant anatomical donation organizations), Health and Safety Code.

Repealers: Sections 711.008(g-3) (relating to applications to establish or use a cemetery in certain municipalities) and (g-4) (relating to applications to establish or use a cemetery in certain counties), Health and Safety Code.

SECTION 29. Provides that Section 651.702, Occupations Code, as added by this Act, is an exercise of authority under Section 66(c), Article III, Texas Constitution, and takes effect only if this Act receives a vote of three-fifths of all the members elected to each house, as provided by Subsection (e) of that section.

SECTION 30. Makes application of Subchapter O, Chapter 651, Occupations Code, as added by this Act, prospective.

SECTION 31. Requires TFSC, as soon as practicable after the effective date of this Act, to adopt rules necessary to implement Chapters 691 and 692A, Health and Safety Code, and Chapter 651, Occupations Code, as amended by this Act.

SECTION 32. Effective date: September 1, 2025.