

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H.B. 808
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HOUSE PRINCIPAL CLERK

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HOUSE DRH70279-LG-12C (12/20)

Short Title: Merge Cemetery Comm./Funeral Service Board. (Public)

Sponsors: Representatives Boles and Alexander (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MERGE THE NORTH CAROLINA CEMETERY COMMISSION WITH THE
3 NORTH CAROLINA BOARD OF FUNERAL SERVICE AND TO TRANSFER THE
4 DUTIES AND POWERS OF THE NORTH CAROLINA CEMETERY COMMISSION
5 TO THE NORTH CAROLINA BOARD OF FUNERAL SERVICE; RENAME THE
6 NORTH CAROLINA BOARD OF FUNERAL SERVICE; AND MAKE CONFORMING
7 CHANGES.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. Effective December 31, 2013, the North Carolina Cemetery
10 Commission is abolished and the authority, powers, duties, and functions vested in the North
11 Carolina Cemetery Commission are transferred to the North Carolina Board of Funeral Service,
12 which shall be renamed the North Carolina Funeral Service and Cemetery Board. All records,
13 property, and unexpended balances of funds of the North Carolina Cemetery Commission are
14 transferred in their entirety to the North Carolina Funeral Service and Cemetery Board.

15 SECTION 2. G.S. 65-46, G.S. 65-48 through G.S. 65-53.1, and G.S. 90-210.20 of
16 the General Statutes are repealed.

17 SECTION 3. Chapter 90 of the General Statutes is amended by adding the
18 following new Article to read:

19 "Article 13G.

20 "Funeral and Cemetery Services."

21 SECTION 4. G.S. 65-47 is recodified as G.S. 90-210.142 under Part 1 of Article
22 13G of Chapter 90 of the General Statutes to be entitled "General Provisions."

23 SECTION 5. Part 1 of Article 13G of Chapter 90 of the General Statutes, as
24 enacted in Section 4 of this act, reads as rewritten:

25 "Part. 1. General Provisions.

26 "§ 90-210.140. Definitions.

27 Unless the context requires otherwise, the following definitions apply in this Article:

28 (1) Advertisement. – The publication, dissemination, circulation, or placing
29 before the public or causing directly or indirectly to be made, published,
30 disseminated, or placed before the public any announcement or statement in
31 a newspaper, magazine, or other publication, or in the form of a book,
32 notice, circular, pamphlet, letter, handbill, poster, bill, sign, placard, card,
33 label, or tag or over any radio, television station, or electronic medium.

34 (2) Bank of belowground crypts. – Any construction unit of belowground crypts
35 acceptable to the Board which a cemetery uses to initiate its belowground
36 crypt program or to add to existing belowground crypt structures.



- 1 (3) Belowground crypts. – An interment space consisting of preplaced
2 chambers, either side by side or multiple depth, covered by earth and sod
3 and are also known as lawn crypts, westminsters, or turf top crypts.
4 (4) Board. – The North Carolina Funeral Service and Cemetery Board.
5 (5) Burial. – Interment in any form, cremation, and the transportation of the
6 dead human body as necessary therefor.
7 (6) Cemetery. – Any one or a combination of more than one of the following in
8 a place used or to be used and dedicated or designated for cemetery
9 purposes:
10 a. A burial park for earth interment.
11 b. A mausoleum.
12 c. A columbarium.
13 (7) Cemetery broker. – A legal entity engaged in the business of arranging sales
14 of cemetery products between legal entities and which sale does not involve
15 a cemetery company, but does not mean funeral establishments or funeral
16 directors operating under G.S. 90-210.155, when dealing between legal
17 entities wherein one of the entities shall be members of the family of a
18 deceased person or other persons authorized by law to arrange for the burial
19 and funeral of such deceased human being. This Article shall not apply to
20 any cemetery broker selling less than five grave spaces per year.
21 (8) Cemetery company. – Any legal entity that owns or controls cemetery lands
22 or property and conducts the business of a cemetery, including all cemeteries
23 owned and operated by governmental agencies, churches, and fraternal
24 organizations or their corporate agents for the duration of any sales and
25 management contracts entered into with cemetery sales organizations or
26 cemetery management organizations for cemetery purposes, or with any
27 other legal entity other than direct employees of said governmental agency,
28 church, or fraternal organization.
29 (9) Cemetery management organization. – Any legal entity contracting as an
30 independent contractor with a cemetery company to manage a cemetery, but
31 does not mean individual managers employed by and contracting directly
32 with cemetery companies operating under this Article.
33 (10) Cemetery sales organization. – Any legal entity contracting with a cemetery
34 which is exempt or not exempt under this Article to conduct sales of
35 cemetery products, but does not mean individual salesmen or sales managers
36 employed by and contracting directly with cemetery companies operating
37 under this Article.
38 (11) Columbarium. – A structure or building substantially exposed aboveground
39 intended to be used for the interment of the cremated remains of a deceased
40 person.
41 (12) Chapel. – A chapel or other facility separate from the funeral establishment
42 premises for the primary purpose of reposing of dead human bodies,
43 visitation, or funeral ceremony that is owned, operated, or maintained by a
44 funeral establishment under this Article and that does not use the word
45 "funeral" in its name, on a sign, in a directory, in advertising, or in any other
46 manner; in which or on the premises of which there is not displayed any
47 caskets or other funeral merchandise; in which or on the premises of which
48 there is not located any preparation room; and of which no owner, operator,
49 employee, or agent thereof represents the chapel to be a funeral
50 establishment.

- 1 (13) Dead human bodies. – The bodies of deceased humans, including fetuses
2 beyond the second trimester and the ashes from cremated bodies.
- 3 (14) Embalmer. – Any person engaged in the practice of embalming.
- 4 (15) Embalming. – The preservation and disinfection or attempted preservation
5 and disinfection of dead human bodies by application of chemicals
6 externally, internally, or both and the practice of restorative art including the
7 restoration or attempted restoration of the appearance of a dead human body.
8 Embalming shall not include the washing or use of soap and water to cleanse
9 or prepare a dead human body for disposition by the authorized agents,
10 family, or friends of the deceased who do so privately without pay or as part
11 of the ritual washing and preparation of dead human bodies prescribed by
12 religious practices; provided, that no dead human body shall be handled in a
13 manner inconsistent with G.S. 130A-395.
- 14 (16) Funeral directing. – Engaging in the practice of funeral service except
15 embalming.
- 16 (17) Funeral director. – Any person engaged in the practice of funeral directing.
- 17 (18) Funeral establishment. – Every place or premises devoted to or used in the
18 care, arrangement, and preparation for the funeral and final disposition of
19 dead human bodies, maintained for the convenience of the public in
20 connection with dead human bodies, or as the place for carrying on the
21 practice of funeral service.
- 22 (19) Funeral service licensee. – A person who is duly licensed and engaged in the
23 practice of funeral service.
- 24 (20) Funeral service. – The aggregate of all funeral service licensees and their
25 duties and responsibilities in connection with the funeral as an organized,
26 purposeful, time-limited, flexible, group-centered response to death.
- 27 (21) Grave space. – A space of ground in a cemetery intended to be used for the
28 interment in the ground of the remains of a deceased person.
- 29 (22) Human remains or remains. – The bodies of deceased persons, including the
30 bodies in any stage of decomposition and cremated remains.
- 31 (23) Mausoleum. – A structure or building substantially exposed aboveground
32 intended to be used for the entombment of remains of a deceased person.
- 33 (24) Mausoleum section. – Any construction unit of a mausoleum acceptable to
34 the Board which a cemetery uses to initiate its mausoleum program or to add
35 to its existing mausoleum structures.
- 36 (25) Person. – An individual, corporation, partnership, joint venture, or
37 association as it relates to the operation of a cemetery.
- 38 (26) Practice of funeral service. – Engaging in the care or disposition of dead
39 human bodies or in the practice of disinfecting and preparing, by embalming
40 or otherwise, dead human bodies for the funeral service, transportation,
41 burial, or cremation, or in the practice of funeral directing or embalming as
42 presently known, whether under these titles, designations, or otherwise.
43 "Practice of funeral service" also means engaging in making arrangements
44 for funeral service, selling funeral supplies to the public, or making financial
45 arrangements for the rendering of the services or the sale of the supplies.
- 46 (27) Resident trainee. – A person who is engaged in preparing to become licensed
47 for the practice of funeral directing, embalming, or funeral service under the
48 personal supervision and instruction of a person duly licensed for the
49 practice of funeral directing, embalming, or funeral service in the State of
50 North Carolina under the provisions of this Chapter and who is duly
51 registered as a resident trainee with the Board.

1 (28) Vault. – A crypt or underground receptacle which is used for interment in
2 the ground and which is designed to encase and protect caskets or similar
3 burial devices. For the purposes of this Article, a vault is a pre-need item
4 until delivery to the purchaser.

5 **"§ 90-210.141. License required for funeral service or cemetery operation.**

6 (a) An individual shall not engage in the practice of funeral directing, embalming, or
7 funeral service as defined in G.S. 90-210.140 unless the individual is licensed in accordance
8 with Part 3 of this Article.

9 (b) A person shall not operate as a cemetery company or sell pre-need grave space
10 without first receiving a license to conduct the business in accordance with Part 4 of this
11 Article.

12 **"§ 90-210.142. Scope.Application of Article.**

13 (a) The provisions of this Article shall apply to all persons engaged in the practice of
14 funeral service and the business of operating a cemetery as defined herein, except cemeteries in
15 this Article. Cemeteries owned and operated by governmental agencies or churches.churches
16 shall be exempt from this Article.

17 (b) Any cemetery beneficially owned and operated by a fraternal organization or its
18 corporate agent for at least 50 years prior to September 1, 1975, shall be exempt from the
19 provisions of Article 9 of this Chapter.Article.

20 (c) The provisions of this Article shall not apply to persons licensed under Article 13D
21 of Chapter 90 of the General Statutes when engaging in activities for which a license is
22 required under the Article."

23 **SECTION 6.** The following sections of Article 13A of Chapter 90 of the General
24 Statutes are recodified as Part 2 of Article 13G of Chapter 90 of the General Statutes, to be
25 entitled "Funeral Service and Cemetery Board."

26 (1) G.S. 90-210.18A is recodified as G.S. 90-210.145.

27 (2) G.S. 90-210.19 is recodified as G.S. 90-210.146.

28 (3) G.S. 90-210.22 is recodified as G.S. 90-210.147.

29 (4) G.S. 90-210.23 is recodified as G.S. 90-210.148.

30 (5) G.S. 90-210.24 is recodified as G.S. 90-210.149.

31 **SECTION 7.** Part 2 of Article 13G of Chapter 90 of the General Statutes, as
32 enacted by Section 6 of this act, reads as rewritten:

33 "Part 2. Funeral Service and Cemetery Board.

34 **"§ 90-210.145. Board of Funeral Service and Cemetery Board created; qualifications;**
35 **vacancies; removal.**

36 (a) Purpose. – The General Assembly declares that the practice of funeral service
37 affects and the operation of cemeteries affect the public health, safety, and welfare and is are
38 subject to regulation and control in the public interest. The public interest requires that only
39 qualified persons be permitted to practice funeral service and operate cemeteries in North
40 Carolina and that the profession these professions merit the confidence of the public. This
41 Article shall be liberally construed to accomplish these ends.

42 (b) Board Created. – The North Carolina Board of Funeral Service and Cemetery Board
43 is created and shall regulate the practice of funeral service and the operation of cemeteries in
44 this State. The Board shall have nine-12 members as follows:

45 (1) Four—Two members appointed by the Governor from nominees
46 recommended by the North Carolina Funeral Directors Association, Inc.
47 These members shall be persons licensed under this Article.

48 (2) Two members appointed by the Governor from nominees recommended by
49 the Funeral Directors & Morticians Association of North Carolina, Inc.
50 These members shall be persons licensed under this Article.

- 1 (3) ~~One member~~Two members appointed by the Governor who is ~~licensed under~~
2 ~~this Article and who is~~are not affiliated with any funeral service trade
3 ~~association.~~association or cemetery operation.
- 4 (3a) Two members appointed by the Governor from a list of six nominees
5 recommended by the North Carolina Cemetery Association.
- 6 (4) ~~One member~~Two members appointed by the General Assembly, upon the
7 recommendation of the President Pro Tempore of the Senate. ~~This One~~
8 member shall be a person who is not licensed under this Article or employed
9 by a person who is licensed under this ~~Article.~~Article and one member shall
10 be a person who owns or manages a cemetery located in North Carolina.
- 11 (5) ~~One member~~Two members appointed by the General Assembly, upon the
12 recommendation of the Speaker of the House of Representatives. ~~This One~~
13 member shall be a person who is not licensed under this Article or employed
14 by a person who is licensed under this ~~Article.~~Article and one member shall
15 be a person who owns or manages a cemetery located in North Carolina.
- 16 (b1) Terms. – Members of the Board shall serve staggered three-year terms, ending on
17 December 31 of the last year of the term or when a successor has been duly appointed,
18 whichever is later. No member may serve more than two complete consecutive terms.

19 ...
20 **"§ 90-210.147. Required meetings of the Board.**

21 The Board shall hold at least four meetings in each year. In addition, the Board may meet as
22 often as the proper and efficient discharge of its duties shall require. ~~Five~~Seven members shall
23 constitute a quorum.

24 **"§ 90-210.148. Powers and duties of the Board.**

25 (a) The Board is authorized to adopt and promulgate ~~such the~~rules and regulations for
26 transaction of its ~~business~~business, specifications for the minimum quality of any product sold,
27 and for the carrying out and enforcement of the provisions of this Article as may be necessary
28 and as are consistent with the laws of this State and of the United States.

29 (b) The Board shall elect from its members a president, a vice-president and a secretary,
30 no two offices to be held by the same person. The president and vice-president and secretary
31 shall serve for one year and until their successors shall be elected and qualified. The Board
32 shall have authority to engage adequate staff as deemed necessary to perform its duties.

33 (c) The members of the Board shall serve without compensation provided that ~~such the~~
34 members shall be reimbursed for their necessary traveling expenses and the necessary expenses
35 incident to their attendance upon the business of the Board, and in addition thereto they shall
36 receive per diem and expense reimbursement as provided in G.S. 93B-5 for every day actually
37 spent by ~~such the~~ member upon the business of the Board. All expenses, salaries and per diem
38 provided for in this Article shall be paid from funds received under the provisions of this
39 Article and shall in no manner be an expense to the State.

40 (d) Every person licensed by the Board and every resident trainee shall furnish all
41 information required by the Board reasonably relevant to the practice of the profession or
42 business for which the person is a licensee or resident trainee. Every funeral service
43 establishment and its ~~records and~~records; every place of business where the practice of funeral
44 service or embalming is carried on and its ~~records~~ records; and every cemetery, cemetery
45 broker, cemetery company, cemetery management organization, and cemetery sales
46 organization and their records shall be subject to inspection by the Board during normal hours
47 of operation and periods shortly before or after normal hours of operation and shall furnish all
48 information required by the Board reasonably relevant to the business therein conducted. Every
49 licensee, resident trainee, embalming facility, ~~and funeral service establishment~~establishment,
50 cemetery, cemetery broker, cemetery company, cemetery management organization, and
51 cemetery sales organization shall provide the Board with a current post-office address which

1 shall be placed on the appropriate register and all notices required by law or by any rule or
2 regulation of the Board to be mailed to any licensee, resident trainee, embalming facility, ~~or~~
3 funeral service ~~establishment~~ establishment, cemetery, cemetery broker, cemetery company,
4 cemetery management organization, or cemetery sales organization shall be validly given when
5 mailed to the address so provided.

6 (d1) The Board is empowered to hold hearings in accordance with the provisions of this
7 Article and of Chapter 150B to subpoena witnesses and to administer oaths to or receive the
8 affirmation of witnesses before the Board.

9 In any show cause hearing before the Board held under the authority of Chapter 150B of the
10 General Statutes where the Board imposes discipline against a licensee, the Board may recover
11 the costs, other than attorneys' fees, of holding the hearing against all respondents jointly, not to
12 exceed two thousand five hundred dollars (\$2,500).

13 (e) The Board is empowered to regulate and inspect, according to law, funeral service
14 establishments and ~~establishments~~, embalming facilities, ~~facilities~~, cemeteries, cemetery brokers,
15 cemetery companies, cemetery management organizations, and cemetery sales organizations,
16 their operation, and the licenses under which they are operated, and to enforce as provided by
17 law the rules, regulations, and requirements of the Division of Health Services and of the city,
18 town, or county in which the funeral service establishment or embalming facility is maintained
19 and operated. Any funeral ~~establishment~~ or ~~establishment~~, ~~embalming facility~~ facility,
20 cemetery, cemetery broker, cemetery company, cemetery management organization, or
21 cemetery sales organization that, upon inspection, is found not to meet all of the requirements
22 of this Article shall pay a reinspection fee to the Board for each additional inspection that is
23 made to ascertain that the deficiency or other violation has been corrected. The Board is also
24 empowered to enforce compliance with the standards set forth in Funeral Industry Practices, 16
25 C.F.R. 453 (1984), as amended from time to time.

26 (e1) When the Board finds that failure by a licensee to maintain a cemetery properly has
27 caused that cemetery to be a public nuisance or a health or safety hazard, the Board may bring
28 an action for injunctive relief against the responsible licensee in the superior court of the county
29 in which the cemetery or any part thereof is located.

30 (e2) The Board may apply to the courts in its own name for injunctive relief to prevent
31 violations of this Article or violations of any rules adopted pursuant to this Article. Any court
32 may grant injunctive relief regardless of whether criminal prosecution or any other action is
33 instituted as a result of the violation. A single violation is sufficient to invoke the injunctive
34 relief under this subdivision. In any of these actions, an order or judgment may be entered
35 awarding a temporary or permanent injunction as may be deemed proper; provided, that before
36 any of these actions is brought the Board shall give the cemetery at least 20 days' notice in
37 writing, stating the alleged violation and giving the cemetery an opportunity within the 20-day
38 period to cure the violation. In addition to all other means provided by law for the enforcement
39 of a temporary restraining order, temporary injunction, or permanent injunction, the court shall
40 have the power and jurisdiction to impound and to appoint a receiver for the property and
41 business of the defendant, including books, papers, documents, and records appertaining
42 thereto or so much thereof as the court may deem reasonably necessary to prevent further
43 violation of this Article through or by means of the use of said property and business. The
44 Board may institute proceedings against the cemetery or its officers, where after an
45 examination pursuant to this Article a shortage in the care and maintenance trust fund,
46 merchandise trust fund, or mausoleum and belowground crypts preconstruction trust fund is
47 discovered, to recover the shortage.

48 (e3) To examine a cemetery company's records when a person applies for a change of
49 control of the company.

50 (e4) The Board may investigate, upon its own initiative or upon a verified complaint in
51 writing, the actions of any person engaged in the business or acting in the capacity of a licensee

1 under this Article. The license of a licensee may be revoked or suspended for a period not
2 exceeding two years, or until compliance with a lawful order imposed in the final order of
3 suspension, or both, where the licensee in performing or attempting to perform any of the acts
4 specified in this Article has been guilty of any of the following:

- 5 (1) Failing to pay the fees required herein.
- 6 (2) Failing to make any reports required by this Article.
- 7 (3) Failing to remit to the care and maintenance trust fund, merchandise trust
8 fund, or preconstruction trust fund the required amounts.
- 9 (4) Making any substantial misrepresentation.
- 10 (5) Making any false statement of a character likely to influence or persuade.
- 11 (6) A continued and flagrant course of misrepresentation or making of false
12 promises through cemetery agents or salesmen.
- 13 (7) Violating any provision of this Article or rule promulgated by the Board.
- 14 (8) Any other conduct, whether of the same or a different character than
15 specified in this section, which constitutes fraud or dishonest dealing.

16 (e5) Whenever any special additional audit or examination of a licensee's premises,
17 facilities, books, or records is necessary because of the failure of the licensee to comply with
18 the requirements imposed in this Article or by the rules and regulations of the Board, to charge
19 a fee based on the cost of the special examination or audit, taking into consideration the salary
20 of any employees involved in the special audit or examination and any expenses incurred.

21 (f) The Board may establish, supervise, regulate and control programs for the resident
22 trainee. It may approve schools of mortuary science or funeral service, graduation from which
23 is required by this Article as a qualification for the granting of any license, and may establish
24 essential requirements and standards for such approval of mortuary science or funeral service
25 schools.

26 (g) Schools for teaching mortuary science which are approved by the Board shall have
27 extended to them the same privileges as to the use of bodies for dissecting while teaching as
28 those granted in this State to medical colleges, but ~~such~~ the bodies shall be obtained through the
29 same agencies which provide bodies for medical colleges.

30 (h) The Board shall adopt a common seal.

31 (h1) The Board shall have the power to acquire, hold, rent, encumber, alienate, and
32 otherwise deal with real property in the same manner as a private person or corporation, subject
33 only to approval of the Governor and the Council of State. Collateral pledged by the Board for
34 an encumbrance is limited to the assets, income, and revenues of the Board.

35 (h2) The Board may employ legal counsel and clerical and technical assistance, and fix
36 the compensation therefor, and incur ~~such~~ any other expenses as may be deemed necessary in
37 the performance of its duties and the enforcement of the provisions of this Article or as
38 otherwise required by law and as may be necessary to carry out the powers herein conferred.

39 (i) The Board may perform ~~such~~ any other acts and exercise ~~such~~ any other powers and
40 duties as may be provided elsewhere in this Article or otherwise by law and as may be
41 necessary to carry out the powers herein conferred.

42 "**§ 90-210.149. Inspector.**~~Inspectors; compliance with Article.~~

43 (a) The Board ~~may~~ shall appoint ~~one or more~~ agents who shall serve at the pleasure of
44 the Board and who shall have the title "Inspector of the North Carolina ~~Board of Funeral~~
45 ~~Service.~~" Service and Cemetery Board. No person is eligible for appointment as inspector
46 unless at the time of the appointment the person is licensed under this ~~Article as a funeral~~
47 ~~service licensee.~~ Article.

48 (b) To determine compliance with the provisions of this Article and regulations
49 promulgated under this Article, inspectors may do any of the following:

- 50 (1) Enter the office, establishment or place of business of any funeral service
51 licensee, funeral director or embalmer in North Carolina, and any office,

1 establishment or place in North Carolina where the practice of funeral
2 service or embalming is carried on, or where that practice is advertised as
3 being carried on, or where a funeral is being conducted or a body is being
4 embalmed, to inspect the records, office, establishment, or facility, or to
5 inspect the practice being carried on or license or registration of any licensee
6 and any resident trainee operating ~~therein;~~therein.

7 (2) Enter any hospital, nursing home, or other institution from which a dead
8 human body has been removed by any person licensed under this Article or
9 their designated representative to inspect records pertaining to the removal
10 and its ~~authorization;~~and authorization.

11 (3) May inspect criminal and probation records of licensees and applicants for
12 licenses under this Article to obtain evidence of their character.

13 (4) Enter the office, establishment, or place of business in North Carolina of any
14 cemetery broker, cemetery company, cemetery management organization,
15 cemetery sales organization, or pre-need sales licensee to inspect the records,
16 office, establishment, or facility or to inspect the practice conducted or
17 license of any licensee.

18 (5) ~~Inspectors may~~May serve papers and subpoenas issued by the Board or any
19 office or member thereof under authority of this Article, and shall perform
20 other duties prescribed or ordered by the Board.

21 (c) Upon request by the Board, the Attorney General of North Carolina shall provide
22 the inspectors with appropriate identification cards, signed by the Attorney General or his
23 designated agent.

24 (d) The Board may prescribe an inspection form to be used by the inspectors in
25 performing their duties."

26 **SECTION 8.** The following sections of Article 13A of Chapter 90 of the General
27 Statutes are recodified as Part 3 of Article 13G of Chapter 90 of the General Statutes, to be
28 entitled "Funeral Service License."

29 (1) G.S. 90-210.25 is recodified as G.S. 90-210.155.

30 (2) G.S. 90-210.25B is recodified as G.S. 90-210.156.

31 (3) G.S. 90-210.26 is recodified as G.S. 90-210.157.

32 (4) G.S. 90-210.27A is recodified as G.S. 90-210.158.

33 (5) G.S. 90-210.28 is recodified as G.S. 90-210.159.

34 (6) G.S. 90-210.29 is recodified as G.S. 90-210.160.

35 (7) G.S. 90-210.29B is recodified as G.S. 90-210.161.

36 **SECTION 9.** G.S. 65-54 through G.S. 65-71 are recodified as Part 4 of Article 13G
37 of Chapter 90 of the General Statutes, G.S. 90-210.165 through G.S. 90-210.184 to be entitled
38 "Cemetery License."

39 **SECTION 10.** G.S. 65-54, recodified as G.S. 90-210.165 by Section 8 of this act,
40 reads as rewritten:

41 "**§ 90-210.165. Annual budget of Commission; cemetery and inspection fee; collection of**
42 **funds.**

43 ~~The Commission shall prepare an annual budget and shall collect the sums of money~~
44 ~~required for this budget from yearly fees and from any other sources provided in this Article.~~
45 On or before July 1 of each year, each licensed cemetery shall pay a license fee to be set by the
46 ~~Commission Board~~ in an amount not to exceed six hundred dollars (\$600.00). In addition, each
47 licensed cemetery shall pay to the ~~Commission Board~~ an inspection fee for each grave space,
48 niche, or mausoleum crypt when the certificate of interment right is issued and shall pay a fee
49 for each vault, belowground crypt, memorial, or opening and closing of a grave space that is
50 included in a preneed cemetery contract. The inspection fee for each grave space, niche, or
51 mausoleum crypt is payable when the certificate of interment right is issued and may not

1 exceed four dollars (\$4.00). The fee for each of the listed items that are included in a preneed
2 cemetery contract is payable when the contract is made and may not exceed ten dollars
3 (\$10.00)."

4 **SECTION 11.** G.S. 65-55(a), as recodified as G.S. 90-210.166(a) by Section 8 of
5 this act, is repealed.

6 **SECTION 12.** G.S. 65-56, recodified as G.S. 90-210.167 by Section 8 of this act,
7 reads as rewritten:

8 "**§ 90-210.167. Existing companies; effect of Article.**

9 Existing cemetery companies at the time of the adoption of this Chapter shall continue in
10 full force and effect and be granted a license but shall hereafter be operated in accordance with
11 the provisions of Article ~~9-13A~~ 13G of this Chapter."

12 **SECTION 13.** G.S. 90-210.29A, 65-72, and 65-73 are recodified as
13 G.S. 90-210.170 through G.S. 90-210.173 in Part 5 of Article 13G of Chapter 90 of the General
14 Statutes, to be entitled "Miscellaneous Provisions."

15 **SECTION 14.** G.S. 58-58-97 reads as rewritten:

16 "**§ 58-58-97. Provision of life insurance information upon notification of insured's death.**

17 (a) Any person licensed to practice funeral directing or any employee of a funeral
18 establishment licensed under the provisions of Article ~~13A-13G~~ 13G of Chapter 90 of the General
19 Statutes providing funeral service, as that term is defined in G.S. 90-210.20, for a deceased
20 person insured or believed to be insured under a contract of life insurance or under a group life
21 insurance policy may request information regarding the deceased person's life insurance
22 contracts by providing an insurer with (i) a copy of a notification of death filed pursuant to
23 G.S. 130A-112, (ii) written authorization from the person or persons with legal authority to
24 direct disposition of the deceased's body as prescribed under G.S. 90-210.124 or
25 G.S. 130A-420, and (iii) in the case of a person covered or believed to be covered under a
26 group life insurance policy, the affiliation of the deceased entitling them to coverage under the
27 group life insurance policy. As soon as possible after receipt of the request, the life insurance
28 company shall inform the person authorized by this section to make an inquiry of the
29 following:

- 30 (1) The existence of any contract insuring the life of the deceased person.
- 31 (2) Any beneficiaries on record under any life insurance contract insuring the
32 life of the deceased person.
- 33 (3) The amount of any liens or loans outstanding on the policy.
- 34 (4) The amount of benefits payable to the beneficiaries.
- 35 (5) Whether the policy has been reinstated within the last 24 months.

36 The insurer shall provide a claim form to any person or assignee making the request.

37"

38 **SECTION 15.** G.S. 65-106 reads as rewritten:

39 "**§ 65-106. Removal of graves; who may disinter, move, and reinter; notice; certificate
40 filed; reinterment expenses; due care required.**

41 ...

42 (f) The party effecting the disinterment, removal, and reinterment of a decedent's
43 remains under the provisions of this Part shall ensure that the site in which reinterment is
44 accomplished shall be of such suitable dimensions to accommodate the remains of that
45 decedent only and that such site shall be reasonably accessible to all relatives of that decedent,
46 provided that the remains may be reinterred in a common grave where written consent is
47 obtained from the next of kin. If under the authority of this Part, disinterment, removal, and
48 reinterment are effected by the State of North Carolina or any of its agencies, public
49 institutions, or political subdivisions, the United States of America or any agency thereof, any
50 electric power or lighting company, then such disinterment, removal, and reinterment shall be

1 performed by a funeral director duly licensed as a "funeral director" or a "funeral service
2 licensee" under the provisions of Article ~~13A-13G~~ of Chapter 90 of the General Statutes.

3"

4 **SECTION 16.** G.S. 90-210.60 reads as rewritten:

5 **"§ 90-210.60. Definitions.**

6 As used in this Article, unless the context requires otherwise:

- 7 (1) "Board" means the North Carolina ~~Board of Funeral Service and Cemetery~~
8 Board as created pursuant to Article ~~13A-13G~~ of Chapter 90 of the General
9 Statutes;

10"

11 **SECTION 17.** G.S. 90-210.67 reads as rewritten:

12 **"§ 90-210.67. Application for license.**

13 (a) No person may offer or sell preneed funeral contracts or offer to make or make any
14 funded funeral prearrangements without first securing a license from the Board.
15 Notwithstanding any other provision of law, any person who offers to sell or sells a casket, to
16 be furnished or delivered at a time determinable by the death of the person whose body is to be
17 disposed of in the casket, shall first comply with the provisions of this Article. There shall be
18 two types of licenses: a preneed funeral establishment license and a preneed sales license. Only
19 funeral establishments holding a valid establishment permit pursuant to ~~G.S. 90-210.25(d)~~
20 G.S. 90-210.155(d) shall be eligible for a preneed funeral establishment license. Employees and
21 agents of such entities, upon meeting the qualifications to engage in preneed funeral planning
22 as established by the Board, shall be eligible for a preneed sales license. The Board shall
23 establish the preneed funeral planning activities that are permitted under a preneed sales
24 license. The Board shall adopt rules establishing such qualifications and activities no later than
25 12 months following the ratification of this act [Session Laws 1991 (Reg. Sess., 1992), c. 901,
26 s. 2]. Preneed sales licensees may sell preneed funeral contracts, prearrangement insurance
27 policies, and make funded funeral prearrangements only on behalf of one preneed funeral
28 establishment licensee; provided, however, they may sell preneed funeral contracts,
29 prearrangement insurance policies, and make funeral prearrangements for any number of
30 licensed preneed funeral establishments that are wholly owned by or affiliated with, through
31 common ownership or contract, the same entity; provided further, in the event they engage in
32 selling prearrangement insurance policies, they shall meet the licensing requirements of the
33 Commissioner of Insurance. Every preneed funeral contract shall be signed by a person
34 licensed as a funeral director or funeral service licensee pursuant to Article ~~13A-13G~~ of
35 Chapter 90 of the General Statutes.

36 Application for a license shall be in writing, signed by the applicant and duly verified on
37 forms furnished by the Board. Each application shall contain at least the following: the full
38 names and addresses (both residence and place of business) of the applicant, and every partner,
39 member, officer and director thereof if the applicant is a partnership, limited liability company,
40 association, or corporation and any other information as the Board shall deem necessary. A
41 preneed funeral establishment license shall be valid only at the address stated in the application
42 or at a new address approved by the Board.

43"

44 **SECTION 18.** G.S. 130A-33.31 read as rewritten:

45 **"§ 130A-33.31. Commission of Anatomy – Members; selection; term; chairman; quorum;
46 meetings.**

47 (a) The Commission of Anatomy shall consist of five members, one representative from
48 the field of mortuary science, and one each from The University of North Carolina School of
49 Medicine, East Carolina University School of Medicine, Duke University School of Medicine,
50 and Bowman Gray School of Medicine. The dean of each school shall make recommendations
51 and the Secretary shall appoint from such recommendations a member to the Commission. The

1 president of the ~~State Board of Funeral Service~~ North Carolina Funeral Service and Cemetery
2 Board shall appoint the representative from the field of mortuary science to the Commission.
3 The members shall serve terms of four years except two of the original members shall serve a
4 term of one year, one shall serve a term of two years, one shall serve a term of three years, and
5 one shall serve a term of four years. The Secretary shall determine the terms of the original
6 members.

7"

8 **SECTION 18.(a)** The terms of members appointed to the North Carolina Funeral
9 Service and Cemetery Board and serving as of July 1, 2013, shall expire on December 31,
10 2013.

11 **SECTION 18.(b)** Notwithstanding any other provision of law, the terms of the two
12 of the members appointed to the North Carolina Funeral Service and Cemetery Board by the
13 Governor pursuant to G.S. 90-210.135(1), as amended by this act, shall expire December 31,
14 2013.

15 **SECTION 18.(c)** Notwithstanding the provisions of G.S. 90-210.145, as enacted
16 by Section 6 of this act, to establish staggered terms for the three members appointed to the
17 North Carolina Funeral Service and Cemetery Board (Board) pursuant to this act, appointments
18 to the Board shall be as follows:

- 19 (1) The members appointed by the Governor pursuant to G.S. 90-210.145(3a),
20 as enacted by Section 7 of this act, shall be appointed for two-year terms to
21 commence January 1, 2014, and expire December 31, 2016.
- 22 (2) The member appointed by the General Assembly upon the recommendation
23 of the President Pro Tempore of the Senate, who owns or manages a
24 cemetery in North Carolina pursuant to G.S. 90-210.145, as enacted by
25 Section 7 of this act, shall be appointed for a one-year term to commence
26 January 1, 2014, and to expire December 31, 2014.
- 27 (3) The member appointed by the General Assembly upon the recommendation
28 of the Speaker of the House of Representatives, who owns or manages a
29 cemetery in North Carolina pursuant to G.S. 90-210.145, as enacted by
30 Section 7 of this act, shall be appointed for a three-year term to commence
31 January 1, 2014, and to expire December 31, 2016.

32 Members described in this section shall serve for the terms for which they were appointed and
33 until their successors are appointed and qualified.

34 **SECTION 19.** The Revisor of Statutes shall change the word "Commission" or the
35 phrase "Cemetery Commission" to the word "Board" wherever it appears in Article 13G of
36 Chapter 90 of the General Statutes.

37 **SECTION 20.** The Revisor of Statutes shall change the phrase "this Article" to the
38 phrase "this Part" wherever it appears in Parts 2, 3, and 4 of Article 13G of Chapter 90 of the
39 General Statutes.

40 **SECTION 21.** The Revisor of Statutes shall change the phrase "Board of Funeral
41 Service" or "State Board of Funeral Service" with the phrase "Funeral Service and Cemetery
42 Board" wherever it appears in Articles 13B through 13F of Chapter 90 of the General Statutes.

43 **SECTION 22.** The Revisor of Statutes shall, on or after the effective date of this
44 act, correct any reference or citation in the General Statutes that is amended by this act by
45 deleting the incorrect references and substituting correct references.

46 **SECTION 23.** Unless otherwise provided, this act becomes effective December 31,
47 2013.