

House of Representatives, March 26, 1998. The Committee on General Law reported through REP. FOX, 144th DIST., Chairman of the Committee on the part of the House, that the bill ought to pass.

AN ACT CONCERNING THE DISCLOSURE OF OWNERSHIP INFORMATION BY FUNERAL SERVICE BUSINESSES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 (NEW) (a) Each person, firm or corporation
2 that carries on or engages in a funeral service
3 business, as defined in section 20-207 of the
4 general statutes, shall display, on a sign located
5 either immediately outside or immediately inside
6 of the main entrance of such funeral service
7 business, the following ownership information:
8 (1) The name of every licensed funeral
9 director, as defined in section 20-207 of the
10 general statutes, who holds an ownership interest
11 of ten per cent or more in the corporation,
12 limited liability company, partnership, limited
13 partnership or other business entity that operates
14 such funeral service business; and
15 (2) The name of any corporation, limited
16 liability company, partnership, or limited
17 partnership that, directly or indirectly, holds an
18 ownership interest of ten per cent or more in the
19 corporation, limited liability company,
20 partnership, limited partnership or other business
21 entity that operates such funeral service
22 business.

23 (b) Each person, firm or corporation that
24 carries on or engages in such funeral service
25 business shall include, on the letterhead,
26 invoices, advertising and marketing materials used
27 by such funeral service business, the name,
28 business address and business telephone number of
29 any corporation, limited liability company,
30 partnership, or limited partnership that, directly
31 or indirectly, holds an ownership interest of ten
32 per cent or more in the corporation, limited
33 liability company, partnership, limited
34 partnership or other business entity that operates
35 such funeral service business.

36 GL COMMITTEE VOTE: YEA 16 NAY 0 JF

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"THE FOLLOWING FISCAL IMPACT STATEMENT AND BILL ANALYSIS ARE PREPARED FOR THE BENEFIT OF MEMBERS OF THE GENERAL ASSEMBLY, SOLELY FOR PURPOSES OF INFORMATION, SUMMARIZATION AND EXPLANATION AND DO NOT REPRESENT THE INTENT OF THE GENERAL ASSEMBLY OR EITHER HOUSE THEREOF FOR ANY PURPOSE."

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FISCAL IMPACT STATEMENT - BILL NUMBER HB 5307

STATE IMPACT	Uncertain, see explanation below
MUNICIPAL IMPACT	None
STATE AGENCY(S)	Departments of Consumer Protection, Public Health, Office of the Attorney General

EXPLANATION OF ESTIMATES:

As the bill contains no explicit enforcement provisions, it is unclear whether either the Departments of Consumer Protection or Public Health would have resulting responsibilities given its passage.

The Department of Public Health (DPH) is charged with issuing inspection certificates for funeral service businesses. (A total of 330 certificates were issued as of January, 1998.) It cannot be determined at this time whether violation of provisions contained in the bill might be considered a cause to deny an inspection certificate.

Pursuant to Section 20-227 C.G.S., the DPH may refuse to grant an inspection certificate, or the Connecticut Board of Examiners of Embalmers and Funeral Directors may take disciplinary action against any holder of an inspection certificate for violation of DPH statute. Should the bill's provisions be codified under Chapter 385 C.G.S., the agency may become involved in adjudication hearings. A corresponding indeterminate workload increase would result. A penalty of up to \$100 for a first time offense and up to \$500 for a second

offense may be collected for violations (Section 20-233 C.G.S.).

If the Department of Consumer Protection is deemed responsible for enforcement under the Unfair Trade Practices Act, it is anticipated that there will be a minimal workload increase which can be handled within normal budgetary resources. Those cases which cannot be handled administratively by DCP may cause a minimal workload increase to the Office of the Attorney General, which can be handled within the agency's anticipated budgetary resources.

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OLR BILL ANALYSIS

HB 5307

AN ACT CONCERNING THE DISCLOSURE OF OWNERSHIP INFORMATION BY FUNERAL SERVICE BUSINESSES

SUMMARY: This bill requires funeral homes to post a sign next to the main entrance stating (1) the name of every registered licensed funeral director who holds at least 10% interest in the business operating the funeral home and (2) the names of all corporations or other businesses that own, directly or indirectly, 10% or more of the funeral home. It also requires a funeral home to include the name, business address, and business telephone number of these businesses on its letterhead, invoices, advertising and marketing materials.

EFFECTIVE DATE: October 1, 1998

COMMITTEE ACTION

General Law Committee

Joint Favorable Report
Yea 16 Nay 0