

AMENDED IN ASSEMBLY APRIL 16, 2001

CALIFORNIA LEGISLATURE—2001–02 REGULAR SESSION

ASSEMBLY BILL

No. 408

Introduced by Assembly Member Correa

February 20, 2001

An act to amend Sections ~~7623 and 7630~~ 7617.1, 7623, 7630, and 9780 of, and to add Section 9780.5 to, the Business and Professions Code, relating to human remains, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

AB 408, as amended, Correa. ~~Human remains: funeral and Funeral, cemetery, and crematory establishments.~~

Existing law requires an officer of a corporation or association or a partner of the partnership appearing for an applicant for a funeral establishment license to be at least 18 years of age and to have not committed acts or crimes constituting grounds for denial of licensure.

This bill would require all officers of a corporation or association or all general partners of a partnership appearing for an applicant for a funeral establishment license to be at least 18 years of age and to have not committed acts or crimes constituting grounds for denial of licensure.

Existing law requires a funeral director to obtain a separate license for each funeral establishment the director operates.

This bill would require the funeral establishment to obtain a separate license for each funeral establishment operated.

Existing law allows the assignment of a funeral establishment's license if, among other things, a licensed funeral director manages, directs, or controls the business of the funeral establishment.

This bill would authorize the assignment of a funeral establishment’s license upon receipt of a satisfactory audit, performed by a licensed certified public accountant or public accountant, that verifies the accuracy of the establishment’s trust fund balances and reports the establishment’s compliance with certain provisions of the Funeral Directors and Embalmers Law.

Existing law authorizes a crematory to be established, operated, or maintained by corporations, partnerships, or individuals that have a valid crematory license issued by the Cemetery and Funeral Bureau.

This bill would *delete the cemetery authority exemption from the crematory license requirement. The bill would* require the bureau to be notified of any change of equitable interest of 50% or more in a crematory and would require that the purchaser obtain a new crematory license from the bureau.

Because this bill would lead to an increase in certain fees that are deposited in the Funeral Directors and Embalmers Fund and the Cemetery Fund, both of which are continuously appropriated special funds, the bill would make an appropriation.

Vote: ~~majority~~ 2/3. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. *Section 7617.1 of the Business and Professions*
- 2 *Code is amended to read:*
- 3 7617.1. The applicant for a funeral establishment license, or
- 4 in the case the applicant is an association, partnership, or
- 5 corporation, ~~the officer~~ *all officers of the corporation or partner*
- 6 ~~appearing therefor,~~ *association or all general partners of the*
- 7 *partnership* shall be at least 18 years of age and shall not have
- 8 committed acts or crimes constituting grounds for denial of
- 9 licensure under Section 480.
- 10 SEC. 2. Section 7623 of the Business and Professions Code is
- 11 amended to read:
- 12 7623. If an applicant for a funeral establishment license
- 13 proposes to engage in or conduct more than one funeral
- 14 establishment, the applicant shall make a separate application and
- 15 procure a separate license for each separate establishment.
- 16 ~~SEC. 2.~~



1 SEC. 3. Section 7630 of the Business and Professions Code is
2 amended to read:

3 7630. A funeral establishment's license may be assigned upon
4 payment of the fee fixed by this chapter and upon submission of
5 an audit report prepared and signed by an independent certified
6 public accountant or public accountant currently licensed in this
7 state. The audit report shall include an unqualified opinion on the
8 accuracy of the trust fund balances and a report of compliance with
9 the provisions of this article and Article 9 (commencing with
10 Section 7735). Any shortages in the trust funds shall be funded.

11 The assignee shall comply with all provisions previously placed
12 on the assignor.

13 ~~SEC. 3.~~

14 SEC. 4. Section 9780 of the Business and Professions Code is
15 amended to read:

16 9780. A crematory established, operated, or maintained, ~~other~~
17 ~~than by a licensed cemetery authority,~~ may be operated by a
18 corporation, partnership, or natural person, provided that a valid
19 crematory license shall have been issued by the bureau.

20 SEC. 5. Section 9780.5 is added to the Business and
21 Professions Code, to read:

22 9780.5. Any change in the ownership of a crematory shall be
23 reported to the Cemetery and Funeral Bureau. Any transfer in a
24 single transaction or a related series of transactions of more than
25 50 percent of the equitable interest in a licensed crematory shall
26 constitute a change of ownership. When a change of ownership in
27 a crematory occurs, the existing crematory license shall lapse and
28 a new license shall be obtained from the bureau by the new owner.

