GREEN SHEET REDIGEST

HB 593 2023 Regular Session Riser

CEMETERIES. Provides relative to cemeteries.

DIGEST

<u>Present law</u> (R.S. 8:61(A)) creates the La. Cemetery Board (board). <u>Present law</u> further provides that the board is within the office of the governor and consists of seven members appointed by the governor.

<u>Proposed law</u> retains <u>present law</u> and provides that a majority vote of the members present for a quorum constitutes as an act of the board.

<u>Present law</u> (R.S. 8:64) provides that officers from among the board's members are elected by the board. <u>Present law</u> also provides that the board may employ, fix the salary and prescribe the duties of an administrative director and other employees.

<u>Proposed law</u> retains <u>present law</u> and adds that the administrative director and other employees of the board shall not carry out discretionary duties or actions that are solely prescribed to the board pursuant to <u>present law</u>.

<u>Present law</u> (R.S. 8:66.1) authorizes the board, to perform certain functions for the purpose of discovering a violation of <u>present law</u> or implementing rules or order issued pursuant to present law.

<u>Proposed law</u> retains <u>present law</u> that the board may perform, for purposes of discovering a violation of <u>present law</u> or implementing rules or order issed pursuant to <u>present law</u> any of the following:

- (1) Take testimony to investigate violations of the <u>present law</u> and <u>proposed law</u>.
- (2) Appoint two or more members to investigate violations.
- (3) Implement rules or orders.
- (4) Hold informal hearings for alleged violations.
- (5) Investigate certain persons under the jurisdiction of the board.
- (6) Failure to comply with a subpoena to appear, apply to a court to require a person to appear before the board.

<u>Proposed law</u> provides that the board may act by a majority vote to do the following:

- (1) Dismiss a complaint or call for a formal hearing. (R.S. 8:66.2(B))
- (2) Determine an applicants compliance with rules and regulations. (R.S. 8:71)
- (3) Suspend or revoke certificates of authority. (R.S. 8:72)
- (4) Impose fines, refuse to grant a certificate of authority, and institute legal proceedings. (R.S. 8:75)
- (5) Institute proceedings to enjoin certain persons. (R.S. 8:458)
- (6) Determine that an endowment or perpetual care fund is in danger. (R.S. 8:465)

<u>Proposed law</u> (R.S. 8:66(C) through (E)) provides certain procedures for formal hearings and legal proceedings.

<u>Present law</u> (R.S. 8:66.2(A)) provides that the board or attorney general may issue cease and desist orders under certain circumstances. <u>Present law</u> further provides that the order remains in effect until the order is final or overturned by a hearing.

<u>Proposed law</u> retains <u>present law</u> and requires the board to conduct an investigation prior to issuing a cease and desist order, and the order may be overturned by the board following a request for hearing.

<u>Present law</u> (R.S. 8:67) provides that the board may establish necessary rules and regulation and those rules and regulations should not be in conflict with <u>present law</u>.

Proposed law expands present law to include other applicable law.

<u>Proposed law</u> (R.S. 8:79) provides for certain actions for violations of <u>present law</u>.

<u>Present law</u> (R.S. 8:454.1) provides that the income on a principal trust fund shall be used for the purposes of care to portions of the cemetery.

<u>Proposed law</u> retains <u>present law</u> and adds that cemetery care includes the expenses necessary to carry out the administration of the trust.

<u>Present law</u> (R.S. 8:455) requires all cemeteries to file with the trustee an annual report.

<u>Proposed law</u> (R.S. 8:455 and 505(C)) retains <u>present law</u> and adds that the business year is any consecutive 12-month period that is determined by the cemetery authority and designated in the report. Further provides that the board shall be notified of a change of business year within 30 days of the effective date of change.

<u>Proposed law</u> (R.S. 8:456(D)) further provides that the 12-month period should be the same for the trustee's report and the cemetery authority's report.

<u>Present law</u> (R.S. 8:461(A)) provides that the board shall examine endowment care funds of each cemetery authority at certain times.

<u>Proposed law</u> adds the set time to examine endowment funds to once every three years or when the board identifies a possible violation.

<u>Proposed law</u> (R.S. 8:463) changes the board's access to the books and records of endowment or perpetual care funds <u>from</u> free <u>to</u> reasonable access. <u>Proposed law</u> also provides the grounds for which the board can request access to books and records after an objection.

<u>Proposed law</u> (R.S. 8:506)) amends certain permissions by the board to carry out compliance examinations.

<u>Proposed law</u> (R.S. 8:467 and 512) requires certain compliance examination reports from the board.

<u>Present law</u> (R.S. 37:21(B)(4)) permits the board to initiate a proceeding of any kind under certain circumstances.

Proposed law repeals present law.

Proposed law makes technical changes.

(Amends R.S. 8:61(A), 64, 66.1, 66.2(A), 67, 69.2(C)(8), 71, 72(A), 75(A), (B), and (C), 454.1(A), 455, 458, 461(A), 463, 464(A) and (3), 465(A)(intro para) and (D), 467, 506(A) and (C)(1)(a); adds R.S. 8:79, 456(D), 505(C), 506(D), and 512; repeals R.S. 37:21(B)(4))

Summary of Amendments Adopted by House

The Committee Amendments Proposed by <u>House Committee on Commerce</u> to the <u>original</u> bill:

- 1. Add that the board shall be responsible for reasonable costs, legal and accounting fees, and expenses if the board fails to prove that a cemetery authority was not in compliance.
- 2. Add that the board shall be responsible for reasonable costs, legal and accounting fees, and expenses if the board fails to prove that due to a violation, certain care funds were in danger of being lost or dissipated.
- 3. Add that any requests for access to records that an entity objects to as unreasonable, irrelevant, arbitrary, or capricious, shall be produced only after objections are ruled on by the board.
- 4. Remove proposed law relating to the merger of trust funds.
- 5. Make technical changes.

Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Commerce, Consumer</u> Protection, and International Affairs to the engrossed bill

- 1. Provides that the administrative director and the boards employees shall not carry out discretionary duties or actions that are solely prescribed to the board.
- 2. Remove provision referencing majority vote of board members to perform certain board actions.
- 3. Restores <u>present law</u> to relative to public or private investigations within or outside of the state.
- 4. Provides that actions or claims brought under <u>present law</u> shall be filed within the limitations of R.S. 37:21.
- 5. Provides for the notice of change of business year by cemetery authorities to the board.
- 6. Establishes prescriptive limitations on disciplinary proceedings.
- 7. Make technical changes.