

- SUBJECT:** Regulating cemetery brokers, including registration and record-keeping
- COMMITTEE:** Pensions, Investments, and Financial Services — favorable, without amendment
- VOTE:** 9 ayes — Truitt, Anchia, C. Anderson, Creighton, Hernandez Luna, Legler, Nash, Orr, Veasey  
0 nays
- WITNESSES:** For — Russell Allen, Texas Cemeteries Association; (*Registered, but did not testify*: Jim Bates, Funeral Consumers Alliance; Brian Shake, Texas Cemetery Association; Matthew Emal, Service Corporation International)  
Against — None  
On — Stephanie Newberg, Texas Department of Banking
- BACKGROUND:** Health and Safety Code, ch. 711 establishes general provisions relating to cemeteries and contains subch. C, which regulates cemetery organizations, and subch. D, which addresses enforcement of the chapter.
- DIGEST:** HB 2029 would amend and add to Health and Safety Code, ch. 711 to regulate cemetery brokers and provide enforcement authority and mechanisms to the Department of Banking and the Finance Commission.  
  
The bill would define “cemetery broker” as a person who sold the exclusive right of sepulture for another person, excluding anyone who was an officer, agent, or employee of the cemetery organization in which the plot was located or who originally purchased the exclusive right of sepulture for personal use.  
  
The bill would regulate resales of plots by cemetery brokers, including the associated payment of fees and record-keeping of sales.  
  
The bill would require cemetery brokers to register with the Department of Banking, authorize a limited registration fee, specify exemptions to the registration requirement, establish a resolution process for complaints

concerning cemetery brokers, and provide conditions under which the Department of Banking could terminate a registration.

The bill would create offenses for violations of certain regulations related to cemetery brokers, establish criminal and administrative penalties, authorize the examination of records or the seizure of accounts and records under certain circumstances, authorize a record examination fee, and give the Finance Commission the authority to adopt rules to administer and enforce the new statutes.

Section 6 of HB 2029, which would create a new subch. C-1 covering cemetery broker registration, would take effect January 1, 2012. The rest of the bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2011.