DIGEST

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HB 593 Engrossed	2023 Regular Session	Riser
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Abstract: Provides for the general oversight of the La. Cemetery Board and procedures for cemetery care trust funds.

<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 duties 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, in part, to make public or private investigations of certain violations within or outside the state.

<u>Proposed law</u> repeals <u>present law</u> in part with respect to authorizing the board to make public or private investigations within or outside of the state, but <u>proposed law</u> provides instead that the board may perform any of the following by majority vote:

- (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) Require or permit a person to file a statement on matters being investigated.
- (6) Investigate certain persons under the jurisdiction of the board.

- (7) Subpoena witnesses.
- (8) Require a person's appearance in court.

<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.

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

<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.

Present law (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.

<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 3 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 to 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.

Proposed law (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)(intro. para.) 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 House Committee on Commerce to the original 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 <u>proposed law</u> relating to the merger of trust funds.
- 5. Make technical changes.