

**PUBLIC CHAPTER NO. 933**

**SENATE BILL NO. 3410**

**By Crowe, Yager, Ford, Finney, Ketron, Burks**

Substituted for: House Bill No. 3549

By Maddox, Hardaway, Eldridge, Shaw, Matlock, McCormick, Swafford,  
Faulkner, Fincher, Fraley, Marsh, Towns

AN ACT to amend Tennessee Code Annotated, Section 62-5-414, relative to the pre-need funeral consumer protection account.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 62-5-414(h), is amended by deleting the subsection in its entirety and by substituting instead the following language:

(h)(1) There is established within the general fund a pre-need funeral consumer protection account, referred to as the "pre-need funeral account" in this section. Funds received by the commissioner under this section, up to two million five hundred thousand dollars (\$2,500,000) or a higher amount as determined by the commissioner by rule, shall be deposited into the pre-need funeral account and held solely for the purposes related to the pre-need registration program and any receivership action initiated by the commissioner against a pre-need seller pursuant to this section.

(2) Once the balance in the account exceeds two million five hundred thousand dollars (\$2,500,000) or a higher amount as determined by the commissioner by rule, an indigent fund shall be established within the general fund to be administered by the commissioner. Any funds received under this section by the commissioner which are in excess of such amount shall be deposited into the indigent fund. If the balance of the pre-need funeral account is reduced below such amount, no funds shall be deposited into the indigent fund until the pre-need funeral account balance is restored to such amount.

(3)(A)(1) An indigent burial fund shall be established for the purpose of reimbursing funeral homes that provide funeral services to Tennessee residents who are indigent.

(2) Funds shall only be expended for a person who was receiving state financial assistance on the date such indigent person died.

(3) All funds in excess of two million five hundred thousand dollars (\$2,500,000) shall not revert to the

general fund of the state, but shall remain available to be allocated and used solely for such indigent funerals provided by funeral homes.

(4) Interest accruing on investments and deposits of the fund shall be credited to such account, shall not revert to the general fund, and shall be carried forward into each subsequent fiscal year.

(5) Monies in the fund shall be invested in accordance with § 9-4-603.

(6) The amount of reimbursement shall be based on available funds in the indigent burial fund at the time a request for reimbursement is filed by a funeral home.

(B) A funeral home which provides funeral services to those Tennessee residents who are indigent may file an application with the commissioner, in a manner established by the commissioner, requesting reimbursement from the indigent burial fund for amounts expended by the funeral home in providing such services. The funeral home shall be required to file documentation verifying that the expenses were for providing such services and for no other purposes.

(C) In accordance with the commissioner's rule-making authority pursuant to § 62-5-413(b), the commissioner shall promulgate rules defining indigency for purposes of eligibility for reimbursement, setting a maximum amount for reimbursement per burial, the manner in which claims shall be submitted and paid, and any other rules necessary for the proper administration of this program.

SECTION 2. For purposes of rulemaking, this act shall take effect upon becoming law, the public welfare requiring it. For all other purposes, this act shall take effect July 1, 2010, the public welfare requiring it.

**PASSED: May 12, 2010**



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RON RAMSEY  
SPEAKER OF THE SENATE



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KENT WILLIAMS, SPEAKER  
HOUSE OF REPRESENTATIVES

APPROVED this 26th day of May 2010



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PHIL BREDESEN, GOVERNOR