

**Department of State
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312 8th Avenue North, 8th Floor Tennessee Tower
Nashville, TN 37243
Phone: 615-741-2650
Fax: 615-741-5133
Email: sos.information@state.tn.us

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Rulemaking Hearing Rule(s) Filing Form

Rulemaking Hearing Rules are rules filed after and as a result of a rulemaking hearing. TCA Section 4-5-205

Agency/Board/Commission:	Department of Commerce and Insurance
Division:	Regulatory Boards
Contact Person:	Adrian Chick
Address:	Office of Legal Counsel 500 James Robertson Parkway Davy Crockett Tower, 12th Floor Nashville, Tennessee
Zip:	37243
Phone:	615-741-3072
Email:	adrian.chick@state.tn.us

Revision Type (check all that apply):

- Amendment
 New
 Repeal

Rule(s) Revised (for additional chapters, copy and paste table)

Chapter Number	Chapter Title
0780-05-10	Pre-need Funeral Service Contracts
Rule Number	Rule Title
0780-05-10-.14	Registration of pre-need sellers and pre-need sales agents. Fees.

(Place substance of rules and other info here. Statutory authority must be given for each rule change. For information on formatting rules go to <http://state.tn.us/sos/rules/1360/1360.htm>)

Rulemaking Hearing Rule

Chapter 0780-05-10
Pre-need Funeral Service Contracts

Amendment

Rule 0780-05-10-.14 Registration of Contract Sellers; Fees is amended by deleting the rule in its entirety and substituting the following rule so that, as amended, the rule shall read:

0780-05-10-.14 Registration of pre-need sellers and pre-need sales agents; Fees.

- (1) No individual may offer or sell pre-need funeral contracts as defined in T.C.A. Title 62, Chapter 5, Part 4 without first registering with the commissioner as a pre-need sales agent.
- (2) No funeral establishment or other individual, firm, partnership, company, corporation, or association may offer or sell pre-need funeral contracts without first registering with the commissioner as a pre-need seller.
- (3) An application for registration as a pre-need seller or pre-need sales agent shall be submitted on a form prescribed by the commissioner and shall be accompanied by a nonrefundable fee as follows:
 - (a) One thousand dollars (\$1,000.00) for a pre-need seller;
 - (b) Two hundred fifty dollars (\$250.00) for a pre-need sales agent.
- (4) All registrations shall be valid for two (2) years and thereafter become invalid unless renewed. Failure to timely renew will require a new registration and payment of fees under subsection (3).
- (5) The commissioner may renew a certificate of registration provided that an application for renewal, accompanied by the following nonrefundable fee, is received by the commissioner no later than the date of expiration:
 - (a) Seven hundred fifty dollars (\$750.00) for a pre-need seller;
 - (b) One hundred fifty dollars (\$150.00) for a pre-need sales agent.
- (6) Any individual, funeral establishment, or other individual, firm, partnership, company, corporation or association that sells or offers to sell a pre-need funeral contract without a valid registration is subject to disciplinary action pursuant to Chapter 0780-05-10 of these rules and Tenn. Code Ann. Title 62, Chapter 5, Part 4.

Authority: T.C.A. §§ 62-5-404, 62-5-405 and 62-5-413(b) through (e), effective January 1, 2008.

Regulatory Flexibility Addendum

Pursuant to Public Chapter 464 of the 105th General Assembly, prior to initiating the rule making process as described in § 4-5-202(a)(3) and § 4-5-202(a), all agencies shall conduct a review of whether a proposed rule or rule affects small businesses.

(If applicable, insert Regulatory Flexibility Addendum here)

Economic Impact Statement:

1. Types of small businesses directly affected:

This amendment will affect all businesses that choose to sell pre-need funeral contracts.

2. Projected reporting, recordkeeping and other administrative costs.

There are no new projected administrative costs as a result of this amendment.

3. Probable effect on small businesses:

This amendment will increase the pre-need seller registration fee for all businesses who choose to sell pre-need contracts. However, considering that the current fee was established in 2003, the actual increase is very slight. This amendment will also require each pre-need sales agent to pay a registration renewal fee equivalent to seventy-five dollars (\$75) per year, which may or may not be paid by the business.

4. Less burdensome, intrusive or costly alternative methods:

There are no alternative means available to accomplish these objectives as required by Chapter 592 of the Public Acts of 2007.

5. Comparison with federal and state counterparts:

There are no Federal counterparts. Practices in other states varies widely.

6. Effect of possible exemption of small businesses:

There is no expected exemption of small businesses as a result of this amendment or the effect thereof.