

# MAINE STATE LEGISLATURE

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# 116th MAINE LEGISLATURE

## SECOND REGULAR SESSION-1994

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Legislative Document

No. 1635

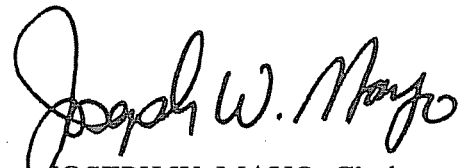
H.P. 1216

House of Representatives, January 5, 1994

**An Act to Authorize a Limited License to Permit Funeral Service Practitioners to Offer Additional Preneed Funeral Service Products.**

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Approved for introduction by a majority of the Legislative Council pursuant to Joint Rule 26. Reference to the Committee on Banking and Insurance suggested and ordered printed.

  
JOSEPH W. MAYO, Clerk

Presented by Representative ERWIN of Rumford.  
Cosponsored by Representative: KUTASI of Bridgton, Senators: BUSTIN of Kennebec,  
CARPENTER of York.



2 licensed for the practice of funeral service for advance payment  
3 of funeral services, as defined in Title 32, section 1400.

4 2. Funeral service life insurance agent. "Funeral service  
5 life insurance agent" means a person licensed for the practice of  
6 funeral service who is authorized or appointed by an insurer to  
7 receive applications for or negotiate the procurement of funeral  
8 service life insurance contracts on behalf of the insurer.

10 §2563. License required

12 A person may not receive applications for or negotiate the  
13 procurement of funeral service life insurance unless licensed as  
14 a funeral service life insurance agent under section 1531,  
15 subsection 1, paragraph G.

16 Sec. 6. 32 MRSA §1401, first ¶, as amended by PL 1985, c. 240,  
17 is further amended to read:

18  
19 All moneys paid during a person's lifetime to any  
20 individual, firm, association, partnership or corporation, except  
21 for money paid for funeral service life insurance, by that person  
22 or by someone in his behalf under an agreement that services be  
23 performed or personal property be delivered in connection with  
24 the disposition of that person's body after his death shall be  
25 deposited by the payee within 10 days after receipt thereof in a  
26 separate account in a bank, trust company, credit union or  
27 savings institution in this State in the name of the payee as  
28 mortuary trustee for the person for whose benefit the payment was  
29 made and shall be held in that account together with interest if  
30 any thereon. Within 30 days after the deposit of funds by the  
31 payee, the bank, trust company, credit union or savings  
32 institution shall provide a written confirmation of the deposit,  
33 including the amount deposited, to the payor or his legal  
34 representative. Nothing in this section may be construed to  
35 prevent transfer of these funds to another such bank, trust  
36 company, credit union or savings institution by merger or  
37 consolidation or by operation of law provided that within 30 days  
38 after transfer of the funds, the bank, trust company, credit  
39 union or savings institution shall provide a written confirmation  
40 of the deposit, including the amount deposited, to the payor or  
41 his legal representative.

42  
43 Sec. 7. 32 MRSA §1402, as amended by PL 1983, c. 413, §55, is  
44 repealed.

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## STATEMENT OF FACT

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6 This bill provides for the granting of a limited life  
insurance agent's license to funeral service practitioners to  
8 sell funeral service life insurance. Funeral service life  
insurance would be an alternative available to fund an agreement  
10 between a consumer and a funeral service practitioner for advance  
payment of funeral services. The bill also permits funeral  
12 service practitioners to advertise the availability of  
prearranged funeral services funding alternatives. The Bureau of  
14 Insurance will provide oversight of the granting of the limited  
licenses.

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This document has not yet been reviewed to determine the  
24 need for cross-reference, stylistic and other technical  
amendments to conform existing law to current drafting standards.

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