Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

ENGROSSED

This Version Includes All Amendments Adopted on Second Reading in the House of Introduction

LLS NO. 24-0568.01 Jery Payne x2157

HOUSE BILL 24-1335

HOUSE SPONSORSHIP

Soper and Titone, Clifford, Frizell, Lieder, Lindstedt, Ricks

SENATE SPONSORSHIP

Roberts and Gardner,

House Committees

Senate Committees

Business Affairs & Labor Finance Appropriations

| | A BILL FOR AN ACT |
|-----|--|
| 101 | CONCERNING THE CONTINUATION OF THE REGULATION OF PERSONS |
| 102 | RELATED TO THE FINAL DISPOSITION OF DECEASED HUMAN |
| 103 | BODIES, AND, IN CONNECTION THEREWITH, IMPLEMENTING THE |
| 104 | RECOMMENDATIONS IN THE 2023 SUNSET REPORT BY THE |
| 105 | DEPARTMENT OF REGULATORY AGENCIES AND MAKING AN |
| 106 | APPROPRIATION. |

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov/.)

Sunset Process - House Business Affairs and Labor

Committee. The bill implements the recommendations of the department of regulatory agencies (department) concerning the mortuary science code (code), as the recommendations are specified in the department's sunset review of the registration of funeral establishments and crematories, as follows:

• Sections 1 and 2 of the bill continue registration of funeral establishments and crematories and the title protection of mortuary science practitioners, funeral directors, embalmers, and cremationists until 2031;

• Section 3:

- Requires the inspection of funeral homes and crematories on a routine basis and for a period of time after the business has ceased operations for the purpose of ensuring compliance with the code during this time; and
- Repeals the limitation on the authority of the director of the division of professions and occupations (director) to inspect funeral homes and crematories only during business hours;
- Sections 3 and 4 expand the director's authority to promulgate rules to include any rules necessary to administer the code:
- Section 3 repeals the code's stakeholder engagement provisions for rule-making to allow the "State Administrative Procedure Act" to control stakeholder engagement;

• Section 3:

- Adds the failure to respond to a complaint within the appropriate time to the grounds for discipline; and
- Repeals the requirement that a letter of admonition be sent by certified mail;
- Section 5 authorizes the director to suspend the registration of a person that fails to comply with the condition of a stipulation or order;
- Sections 6 and 7 replace the term "applicant" with the term "person" in the title-protection provisions for funeral directors, embalmers, and cremationists; and
- **Sections 8 through 11** remove gendered language from the code.
- 1 Be it enacted by the General Assembly of the State of Colorado:
- 2 **SECTION 1.** In Colorado Revised Statutes, **amend** 12-135-406

-2-

| 1 | as follows: |
|----|--|
| 2 | 12-135-406. Repeal - subject to review. Sections 12-135-110, |
| 3 | 12-135-111, 12-135-303, and 12-135-304 and this part 4 are repealed, |
| 4 | effective July 1, 2024 SEPTEMBER 1, 2029. Before the repeal, the |
| 5 | regulation of persons registered to practice cremation and mortuary |
| 6 | science is scheduled for review in accordance with section 24-34-104. |
| 7 | SECTION 2. In Colorado Revised Statutes, 24-34-104, amend |
| 8 | (25)(a)(XIII); and add (30)(a)(IX) as follows: |
| 9 | 24-34-104. General assembly review of regulatory agencies |
| 10 | and functions for repeal, continuation, or reestablishment - legislative |
| 11 | declaration - repeal. (25) (a) The following agencies, functions, or both, |
| 12 | are scheduled for repeal on September 1, 2024: |
| 13 | (XIII) The regulation of persons registered to practice mortuary |
| 14 | science by sections 12-135-110 and 12-135-111 and cremation by |
| 15 | sections 12-135-303 and 12-135-304, and the administration thereof in |
| 16 | accordance with part 4 of article 135 of title 12, and The regulation of |
| 17 | nontransplant tissue banks by section 12-140-103; |
| 18 | (30) (a) The following agencies, functions, or both, are scheduled |
| 19 | for repeal on September 1, 2029: |
| 20 | (IX) THE FUNCTIONS OF THE DIRECTOR OF THE DIVISION OF |
| 21 | PROFESSIONS AND OCCUPATIONS RELATED TO THE REGISTRATION OF |
| 22 | FUNERAL ESTABLISHMENTS SPECIFIED IN SECTION 12-135-110 AND |
| 23 | CREMATORIES SPECIFIED IN SECTION 12-135-303 AND TO THE TITLE |
| 24 | PROTECTIONS SPECIFIED IN SECTIONS 12-135-111 AND 12-135-304. |
| 25 | SECTION 3. In Colorado Revised Statutes, 12-135-401, amend |
| 26 | (1) introductory portion, (1)(b), (1)(c), (3)(a), and (6); and add (1)(d) and |
| 27 | (7) as follows: |

-3-

| 12-135-401. Powers and duties of the director - rules. (1) The |
|---|
| director may deny, suspend, refuse to renew, or revoke a registration |
| pursuant to section 12-20-404 (1)(d); issue and send by certified |
| ELECTRONIC mail THAT IS ACTUALLY RECEIVED, a letter of admonition to |
| a funeral establishment or crematory under the circumstances specified |
| in and in accordance with section 12-20-404 (4); issue a confidential |
| letter of concern to a funeral establishment or crematory under the |
| circumstance specified in section 12-20-404 (5); place a registered funeral |
| establishment or crematory on probation pursuant to section 12-20-404 |
| (1)(b); or limit the scope of practice of the registration of a funeral |
| establishment or crematory under this article 135 that has: |
| |

- (b) Had a registration issued by Colorado, or an equivalent license, registration, or certification issued by another state, to practice mortuary science or to embalm or cremate human remains revoked; or
- (c) Violated this article 135, an applicable provision of article 20 of this title 12, or any rule of the director adopted under this article 135; OR
- (d) FAILED TO RESPOND TO A COMPLAINT WITHIN THE LENGTH OF TIME SPECIFIED IN THE NOTICE TO THE REGISTRANT OF THE COMPLAINT.
- (3) (a) (I) The director may investigate the activities of a funeral establishment or crematory upon the director's own initiative or upon receipt of a complaint or a suspected or alleged violation of this article 135.
- (II) THE DIRECTOR SHALL PERFORM ROUTINE INSPECTIONS OF ALL FUNERAL ESTABLISHMENTS AND CREMATORIES ON A PERIODIC BASIS AS DETERMINED BY RULE. The director may contract with a private party to perform an inspection THESE INSPECTIONS.

-4- 1335

| 1 | (III) To perform an inspection, the director or a private party with |
|----|---|
| 2 | whom the director contracts to perform the inspection may enter the |
| 3 | premises of a funeral establishment or crematory with full right of ingress |
| 4 | and egress: during business hours. |
| 5 | (A) WHILE THE FUNERAL ESTABLISHMENT OR CREMATORY IS |
| 6 | REGISTERED; |
| 7 | (B) FOR A PERIOD OF TIME, AS DETERMINED BY RULE, AFTER A |
| 8 | FUNERAL ESTABLISHMENT'S OR CREMATORY'S REGISTRATION HAS |
| 9 | EXPIRED, HAS BEEN REVOKED, OR HAS BEEN SURRENDERED; AND |
| 10 | (C) UPON APPLICATION FOR A NEW REGISTRATION. |
| 11 | (IV) THE DIRECTOR SHALL PROMULGATE RULES DETERMINING THE |
| 12 | PERIOD OF TIME AFTER A REGISTRATION IS NO LONGER VALID DURING |
| 13 | WHICH TIME THE DIRECTOR OR A PRIVATE PARTY WITH WHOM THE |
| 14 | DIRECTOR CONTRACTS MAY PERFORM INSPECTIONS TO ENSURE THAT THE |
| 15 | FUNERAL ESTABLISHMENT OR CREMATORY CONTINUES TO COMPLY WITH |
| 16 | This article $135\mathrm{And}$ winds down the business without creating an |
| 17 | UNDUE RISK TO THE PUBLIC HEALTH. |
| 18 | (6) (a) The director may promulgate reasonable rules necessary to |
| 19 | implement this section, sections 12-135-110, 12-135-111, 12-135-303, |
| 20 | and 12-135-304, and this part 4 ARTICLE 135. |
| 21 | (b) Before promulgating rules, the director shall seek input and |
| 22 | advice from a person, or any state professional organization of persons, |
| 23 | offering services that require registration pursuant to this article 135 IN |
| 24 | PROMULGATING RULES UNDER THIS ARTICLE 135, THE DIRECTOR IS |
| 25 | SUBJECT TO ARTICLE 4 OF TITLE 24. |
| 26 | (c) Before promulgating rules, the director may seek input and |
| 27 | advice from a consumer representative who advocates for consumers |

-5- 1335

| 1 | affected by this article 135. |
|-----|---|
| 2 | (7) THE DIRECTOR MAY IMPOSE DISCIPLINE, PURSUANT TO THIS |
| 3 | SECTION, ON AN APPLICANT FOR REGISTRATION UNDER THIS ARTICLE 135, |
| 4 | A FUNERAL ESTABLISHMENT REGISTERED PURSUANT TO SECTION |
| 5 | 12-135-110, OR A CREMATORY REGISTERED PURSUANT TO SECTION |
| 6 | 12-135-303 FOR THE ACTS OF A PERSON THAT: |
| 7 | (a) IS ACTING ON BEHALF OF THE APPLICANT, REGISTERED FUNERAL |
| 8 | ESTABLISHMENT, OR REGISTERED CREMATORY; AND |
| 9 | (b) Is an officer, a director, a member, a partner, or an |
| 10 | OWNER OF THE APPLICANT, REGISTERED FUNERAL ESTABLISHMENT, OR |
| 11 | REGISTERED CREMATORY IF: |
| 12 | (I) THE PERSON HOLDS AT LEAST A TEN PERCENT INTEREST IN THE |
| 13 | APPLICANT, REGISTERED FUNERAL ESTABLISHMENT, OR REGISTERED |
| 14 | CREMATORY THAT IS PUBLICLY TRADED; OR |
| 15 | (II) THE PERSON HOLDS AN INTEREST IN THE APPLICANT, |
| 16 | REGISTERED FUNERAL ESTABLISHMENT, OR REGISTERED CREMATORY THAT |
| 17 | IS NOT PUBLICLY TRADED. |
| 18 | SECTION 4. In Colorado Revised Statutes, 12-20-204, amend |
| 19 | (2)(a); and repeal (2)(c) as follows: |
| 20 | 12-20-204. Regulator's rule-making authority. (2) Subsection |
| 21 | (1) of this section does not apply to the following: |
| 22 | (a) Article 110 of this title 12 concerning combative sports; AND |
| 23 | (c) Article 135 of this title 12 concerning mortuaries and |
| 24 | crematories; and |
| 25 | SECTION 5. In Colorado Revised Statutes, amend 12-135-403 |
| 26 | as follows: |
| 2.7 | 12-135-403. Cease-and-desist orders - orders and stipulations |

-6- 1335

| 1 | - suspension - procedure. (1) The director may issue cease-and-desist |
|-----|---|
| 2 | orders under the circumstances and in accordance with the procedures |
| 3 | specified in section 12-20-405. |
| 4 | (2) The director may suspend a registration upon the |
| 5 | FAILURE OF THE REGISTRANT TO COMPLY WITH ANY CONDITION OF A |
| 6 | STIPULATION OR ORDER IMPOSED BY THE DIRECTOR UNTIL THE |
| 7 | REGISTRANT COMPLIES WITH THE CONDITION. |
| 8 | SECTION 6. In Colorado Revised Statutes, 12-135-111, amend |
| 9 | (2) introductory portion and (3) introductory portion as follows: |
| 10 | 12-135-111. Title protection. (2) A person shall not advertise, |
| 11 | represent, or hold oneself out as or use the title of a "funeral director" |
| 12 | unless the applicant PERSON: |
| 13 | (3) A person shall not advertise, represent, or hold oneself out as |
| 14 | or use the title of an "embalmer" unless the applicant PERSON: |
| 15 | SECTION 7. In Colorado Revised Statutes, amend 12-135-304 |
| 16 | as follows: |
| 17 | 12-135-304. Title protection. A person shall not advertise, |
| 18 | represent, or hold oneself out as or use the title of a "cremationist" unless |
| 19 | the applicant PERSON has at least five hundred hours practicing or |
| 20 | interning as a cremationist and has cremated at least fifty human remains. |
| 21 | SECTION 8. In Colorado Revised Statutes, 12-135-111, amend |
| 22 | (1) introductory portion as follows: |
| 23 | 12-135-111. Title protection. (1) A person shall not advertise, |
| 24 | represent, or hold himself or herself ONESELF out as or use the title of a |
| 25 | "mortuary science practitioner" unless the person: |
| 26 | SECTION 9. In Colorado Revised Statutes, 12-135-104, add |
| 2.7 | (1.5) as follows: |

-7- 1335

| l | 12-135-104. Funeral establishment - subcontractor. (1.5) A |
|-----|--|
| 2 | FUNERAL ESTABLISHMENT SHALL HAVE A WRITTEN CONTRACT WITH ALL |
| 3 | SUBCONTRACTORS OR AGENTS. THE CONTRACT MUST BE SIGNED BY THE |
| 4 | ESTABLISHMENT'S DESIGNEE AND MADE, UPON REQUEST, AVAILABLE TO A |
| 5 | CONSUMER THAT IS AFFECTED BY THE CONTRACT OR THE DIRECTOR. |
| 6 | SECTION 10. In Colorado Revised Statutes, 12-135-105, amend |
| 7 | (1)(d) and (1)(o) as follows: |
| 8 | 12-135-105. Unlawful acts. (1) It is unlawful: |
| 9 | (d) For a person in the business of paying for or providing death |
| 10 | benefits, funerals, funeral ceremonies, final dispositions, or preneed |
| 11 | contracts to pay or provide benefits in a manner that deprives LIMITS THE |
| 12 | FUNERAL ESTABLISHMENTS WHERE the next of kin or legal representative |
| 13 | of the right to CAN use those payments or benefits; at a funeral |
| 14 | establishment of his or her choice; |
| 15 | (o) To fail to include in a contract for funeral services the |
| 16 | following statement: "INQUIRIES REGARDING YOUR FUNERAL |
| 17 | AGREEMENT MAY BE DIRECTED TO "FUNERAL HOMES AND |
| 18 | CREMATORY ESTABLISHMENTS ARE REGULATED BY THE DEPARTMENT |
| 19 | OF REGULATORY AGENCIES. To FILE A COMPLAINT, CONTACT", |
| 20 | along with the current address or telephone number of the department; |
| 21 | SECTION 11. In Colorado Revised Statutes, 12-135-109, amend |
| 22 | (4)(b); and add (6) as follows: |
| 23 | 12-135-109. Exceptions - safe harbor. (4) If a funeral director, |
| 24 | mortuary science practitioner, or embalmer has acted in good faith, the |
| 25 | funeral director, mortuary science practitioner, or embalmer may rely on |
| 26 | a signed statement from a person with the right of final disposition under |
| 2.7 | section 15-19-106 that: |

-8- 1335

| 1 | (b) The person has made a reasonable effort under section |
|----|--|
| 2 | 15-19-106 to contact each person with the right of final disposition and |
| 3 | to learn his or her EACH PERSON'S wishes; and |
| 4 | (6) THIS PART 1 DOES NOT APPLY TO OR INTERFERE WITH CRYONIC |
| 5 | PRESERVATION OF HUMAN REMAINS IF DONE PURSUANT TO RULE. |
| 6 | SECTION 12. In Colorado Revised Statutes, 12-135-112, repeal |
| 7 | (1)(a); and add (4) as follows: |
| 8 | 12-135-112. Standards of practice - embalming - transporting. |
| 9 | (1) A funeral establishment that performs embalming shall: |
| 10 | (a) Maintain a sanitary preparation room with sanitary flooring, |
| 11 | drainage, and ventilation; |
| 12 | (4) A FUNERAL ESTABLISHMENT SHALL MAINTAIN A SANITARY |
| 13 | PREPARATION ROOM WITH SANITARY FLOORING, DRAINAGE, VENTILATION, |
| 14 | AND REFRIGERATION AND OTHER EQUIPMENT NECESSARY TO MAINTAIN |
| 15 | SANITARY CONDITIONS. |
| 16 | SECTION 13. In Colorado Revised Statutes, 12-135-113, add (4) |
| 17 | as follows: |
| 18 | 12-135-113. Custody and responsibility - rules. (4) A FUNERAL |
| 19 | ESTABLISHMENT SHALL NOT TAKE CUSTODY OF MORE HUMAN REMAINS |
| 20 | THAN THE FUNERAL ESTABLISHMENT HAS CAPACITY TO REFRIGERATE |
| 21 | UNLESS THE FUNERAL ESTABLISHMENT MAINTAINS CUSTODY OF THE |
| 22 | HUMAN REMAINS FOR LESS THAN TWENTY-FOUR HOURS. |
| 23 | SECTION 14. In Colorado Revised Statutes, add 12-135-114 as |
| 24 | follows: |
| 25 | 12-135-114. Insurance requirements. (1) A FUNERAL |
| 26 | ESTABLISHMENT SHALL OBTAIN AND MAINTAIN A PROFESSIONAL LIABILITY |
| 27 | INSURANCE POLICY WITH LIABILITY LIMITS OF AT LEAST ONE MILLION |

-9- 1335

| 1 | DOLLARS. THE FUNERAL ESTABLISHMENT MUST SUBMIT THE CERTIFICATE |
|-----|--|
| 2 | OF PROFESSIONAL LIABILITY INSURANCE TO THE DIRECTOR: |
| 3 | (a) WITHIN THIRTY DAYS AFTER THE INITIAL REGISTRATION OF THE |
| 4 | FUNERAL ESTABLISHMENT BY THE BOARD; AND |
| 5 | (b) Upon request by the director. |
| 6 | (2) A FUNERAL ESTABLISHMENT SHALL NOTIFY THE BOARD IN |
| 7 | WRITING WITHIN THIRTY DAYS AFTER DOING ANY OF THE FOLLOWING FOR |
| 8 | THE PROFESSIONAL LIABILITY INSURANCE POLICY REQUIRED BY |
| 9 | SUBSECTION (1) OF THIS SECTION: |
| 10 | (a) Changing the policy or the insurer that issues the |
| 11 | POLICY; OR |
| 12 | (b) CANCELING OR SUSPENDING THE POLICY. |
| 13 | SECTION 15. In Colorado Revised Statutes, 12-135-302, amend |
| 14 | (1)(b) as follows: |
| 15 | 12-135-302. Exceptions - safe harbor. (1) If a crematory has |
| 16 | acted in good faith, the crematory may rely on a signed statement from a |
| 17 | person with the right of final disposition under section 15-19-106 that: |
| 18 | (b) The person has made a reasonable effort under section |
| 19 | 15-19-106 to contact each person with the right of final disposition and |
| 20 | to learn his or her EACH PERSON'S wishes; and |
| 21 | SECTION 16. In Colorado Revised Statutes, 12-135-307, amend |
| 22 | (5)(b) as follows: |
| 23 | 12-135-307. Standards of practice - cremating. (5) (b) After |
| 24 | cremation is complete, all of the cremains and reasonable recoverable |
| 25 | residue shall be removed from the cremation chamber and processed as |
| 26 | necessary. Anything other than the cremains shall be disposed of unless |
| 2.7 | the next of kin authorizes otherwise. UPON THE COMPLETION OF EACH |

-10-

| 1 | CREMATION, THE CREMATIONIST SHALL REMOVE ALL OF THE |
|----|--|
| 2 | RECOVERABLE RESIDUE, INSOFAR AS IS PRACTICABLE, OF THE CREMATION |
| 3 | PROCESS FROM THE CREMATORY AND PLACE THE RESIDUE IN A SEPARATE |
| 4 | CONTAINER SO THAT THE RESIDUE DOES NOT COMMINGLE WITH THE |
| 5 | CREMATED REMAINS OF OTHER INDIVIDUALS. THE CREMATIONIST SHALL |
| 6 | DISPOSE OF ACCUMULATED RESIDUE IN ACCORDANCE WITH THE |
| 7 | REGULATIONS OF A CEMETERY WITH A DEFINED AREA TO SCATTER |
| 8 | REMAINS AND RESIDUE AND ANY APPLICABLE LOCAL ORDINANCES. |
| 9 | SECTION 17. Appropriation. (1) For the 2024-25 state fiscal |
| 10 | year, \$336,850 is appropriated to the department of regulatory agencies. |
| 11 | This appropriation is from the division of professions and occupations |
| 12 | cash fund created in section 12-20-105 (3), C.R.S. To implement this act, |
| 13 | the department may use this appropriation as follows: |
| 14 | (a) \$200,081 for use by the division of professions and |
| 15 | occupations for personal services, which amount is based on an |
| 16 | assumption that the division will require an additional 2.8 FTE; |
| 17 | (b) \$60,378 for use by the division of professions and |
| 18 | occupations for operating expenses; |
| 19 | (c) \$31,584 for vehicle lease payments; and |
| 20 | (d) \$44,807 for the purchase of legal services. |
| 21 | (2) For the 2024-25 state fiscal year, \$44,807 is appropriated to |
| 22 | the department of law. This appropriation is from reappropriated funds |
| 23 | received from the department of regulatory agencies under subsection |
| 24 | (1)(d) of this section and is based on an assumption that the department |
| 25 | of law will require an additional 0.2 FTE. To implement this act, the |
| 26 | department of law may use this appropriation to provide legal services for |
| 27 | the department of regulatory agencies. |

-11- 1335

| 1 | SECTION 18. Safety clause. The general assembly finds, |
|---|---|
| 2 | determines, and declares that this act is necessary for the immediate |
| 3 | preservation of the public peace, health, or safety or for appropriations for |
| 4 | the support and maintenance of the departments of the state and state |
| 5 | institutions. |

-12-