Second Regular Session Seventy-fourth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 24-0568.01 Jery Payne x2157

HOUSE BILL 24-1335

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House Committees

Business Affairs & Labor Finance Appropriations

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Business, Labor, & Technology Finance

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

HOUSE d Reading Unamended April 17, 2024

> HOUSE Amended 2nd Reading April 16, 2024

Shading denotes HOUSE amendment. <u>Double underlining denotes SENATE amendment.</u>

Capital letters or bold & italic numbers indicate new material to be added to existing law.

Dashes through the words or numbers indicate deletions from existing law.

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

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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:

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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.

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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

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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

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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 <u>oneself THEMSELF</u> out as or use the title of a "funeral
12	director" unless the applicant PERSON:
13	(3) A person shall not advertise, represent, or hold <u>oneself</u>
14	THEMSELF out as or use the title of an "embalmer" unless the applicant
15	PERSON:
16	SECTION 7. In Colorado Revised Statutes, amend 12-135-304
17	as follows:
18	12-135-304. Title protection. A person shall not advertise,
19	represent, or hold oneself THEMSELF out as or use the title of a
20	"cremationist" unless the applicant PERSON has at least five hundred hours
21	practicing or interning as a cremationist and has cremated at least fifty
22	human remains.
23	SECTION 8. In Colorado Revised Statutes, 12-135-111, amend
24	(1) introductory portion as follows:
25	12-135-111. Title protection. (1) A person shall not advertise,
26	represent, or hold himself or herself THEMSELF out as or use the title of a
27	"mortuary science practitioner" unless the person:

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

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

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

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

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department of law may use this appropriation to provide legal services for the department of regulatory agencies.

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

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