

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 602 - HB 785

February 20, 2019

SUMMARY OF BILL: Decreases, from the 20th day of the month following the month of receipt, to 15 calendar days, the period of time in which a pre-need funeral contract seller must deposit all funds received by a contract purchaser for the purpose of funding the contract through a trust with the trustee. Authorizes a trustee to establish a single trust fund for all pre-need funeral contracts issued by multiple pre-need sellers, instead of having to establish a trust fund for each pre-need seller. Requires accounting records for pre-need funeral trust beneficiaries to be available to the Comptroller of the Treasury upon request.

ESTIMATED FISCAL IMPACT:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation will not change the scope or frequency of audits conducted by the Division of State Audit.
- The proposed legislation will impact private parties and will not have a significant impact on state or local government.

IMPACT TO COMMERCE:

NOT SIGNIFICANT

Assumptions:

- The proposed legislation requires separate trust funds for each pre-need funeral contract or a single trust fund for all pre-need funeral contracts issued by a single pre-need seller established by a trustee to be carried in the name of a pre-need seller based in this state.
- The proposed legislation authorizes a trustee to establish a single trust fund for each contract issued by multiple pre-need sellers in any state.
- Pursuant to Tenn. Code Ann. § 62-5-407(b), the Commissioner of the Department of Commerce and Insurance is authorized to require a pre-need seller to deposit future trust funds in a shorter time frame if any past deposits were not made in a timely manner.
- The authorizations and requirements for pre-need sellers will not impact commerce or jobs in Tennessee in a significant manner.

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CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Handwritten signature of Krista Lee Carsner in black ink.

Krista Lee Carsner, Executive Director

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