

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H

1

HOUSE BILL 1003

Short Title: Board of Funeral Service Modifications. (Public)

Sponsors: Representatives B. Jones, Miller, Pyrtle, and Colvin (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Regulatory Reform, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

April 14, 2025

A BILL TO BE ENTITLED
AN ACT TO MODIFY THE LAWS OF FUNERAL SERVICE AND CREMATION.
The General Assembly of North Carolina enacts:

PART I. CREMATIONS AND ALKALINE HYDROLYSIS

SECTION 1.1.(a) The following provisions are recodified as follows:

<u>Former Citation</u>	<u>Recodified Citation</u>
90-210.121(1)	90-210.121(1a)
90-210.121(17a)	90-210.121(17c)
90-210.136(a)(1)	90-210.121(1)
90-210.136(a)(2)	90-210.121(17a)
90-210.136(a)(3)	90-210.121(17b)
90-210.136(a)(4)	90-210.121(17d).

SECTION 1.1.(b) The title of Article 13F of Chapter 90 of the General Statutes reads as rewritten:

~~"Cremations.~~Cremations and Alkaline Hydrolysis."

SECTION 1.1.(c) G.S. 90-210.121, as amended by subsection (a) of this section, reads as rewritten:

"§ 90-210.121. Definitions.

As used in this Article, unless the context requires otherwise:

- (1) Alkaline hydrolysis. – The technical process using water, heat, and other chemicals to destroy, dissolve, or reduce human remains to simpler or essential elements.
- (1a) ~~"Authorizing agent" means a~~ Authorizing agent. – A person or entity legally entitled to ~~authorize the cremation or~~ arrange for the final disposition of human remains in accordance with ~~G.S. 90-210.124.~~ G.S. 130A-420.
- (2) ~~"Board" means the~~ Board. – The North Carolina Board of Funeral Service.
- (3) ~~"Body parts" means limbs~~ Body parts. – Any of the following:
 - a. Limbs or other portions of the anatomy that are removed from a person or human remains for medical purposes during treatment, surgery, biopsy, autopsy, or medical ~~research; or human research.~~
 - b. Human bodies or any portion thereof that have been donated to science for medical purposes.



* H 1 0 0 3 - V - 1 *

- (4) ~~"Casket" means a Casket.~~ – A rigid container that is designed for the encasement of human remains and that is usually constructed of wood, metal, or other material and ornamented and lined with fabric, and which may or may not be combustible.
- (5) ~~"Certificate of cremation" means a Certificate of cremation.~~ – A certificate provided by the crematory manager who performed the cremation containing, at a minimum, all of the following information:
- ~~Name of decedent;~~decedent.
 - ~~Date of cremation;~~cremation.
 - ~~Name and address of crematory; and~~crematory.
 - Signature of crematory manager or person acting as crematory manager.
- (6) ~~"Cremated remains" means all Cremated remains.~~ – All human remains recovered after the completion of the cremation process, including pulverization which leaves only bone fragments reduced to unidentifiable dimensions.
- (7) ~~"Cremation" means the Cremation.~~ – The technical process, using intense heat and flame, that reduces human remains to bone fragments. Cremation includes the processing and may include the pulverization of the bone fragments.
- (8) ~~"Cremation chamber" means the Cremation chamber.~~ – The enclosed space within which the cremation process takes place. Cremation chambers covered by this Article shall be used exclusively for the cremation of human remains.
- (9) ~~"Cremation container" means the Cremation container.~~ – The container in which the human remains are transported to the crematory or placed therein upon arrival for storage and placement in a cremation chamber for cremation. A cremation container shall comply with all of the following standards:
- Be composed of readily combustible materials suitable for ~~cremation;~~cremation.
 - Be able to be closed in order to provide a complete covering for the human ~~remains;~~remains.
 - Be resistant to leakage or ~~spillage;~~spillage.
 - Be rigid enough for handling with ~~ease;~~ease.
 - Be able to provide protection for the health, safety, and personal integrity of crematory ~~personnel; and~~personnel.
 - Be easily identifiable. The covering of the cremation container shall contain all of the following information:
 - The name of the ~~decedent;~~decedent.
 - The date of ~~death;~~death.
 - The sex of the ~~decedent; and~~decedent.
 - The age at death of the decedent.
- (10) ~~"Cremation interment container" means a Cremation interment container.~~ – A rigid outer container composed of concrete, steel, fiberglass, or some similar material in which an urn is placed prior to being interred in the ground and which is designed to withstand prolonged exposure to the elements and to support the earth above the urn.
- (11) ~~"Crematory" or "crematorium" means the Crematory or crematorium.~~ – The building or buildings or portion of a building on a single site that houses the cremation equipment, the holding and processing facilities, the business office, and other parts of the crematory business. A crematory must comply with all applicable public health and environmental laws and rules and must

- 1 contain the equipment and meet all of the standards established by the rules
2 adopted by the Board.
- 3 (12) ~~"Crematory licensee" means the Crematory licensee.~~ – The individual or legal
4 entity that is licensed by the Board holds a license to operate a crematory and
5 perform cremations.
- 6 (13) ~~"Crematory manager" means the Crematory manager.~~ – The person who is
7 responsible for the daily management and operation of the crematory. A
8 crematory manager must either be licensed to practice funeral directing or
9 funeral service and be qualified as a crematory technician or must obtain a
10 crematory manager permit issued by the Board. In order to receive a crematory
11 manager permit, a person ~~must~~ must meet all of the following criteria:
12 a. Be at least 18 years of age.
13 b. Be of good moral character.
14 c. Be qualified as a crematory technician.
- 15 Notwithstanding any other provision of law, a crematory that is licensed by
16 the Board prior to January 1, 2004, and as of that date is not managed by a
17 crematory manager who is licensed to practice funeral directing or funeral
18 service, or who has a crematory manager permit, may continue to be managed
19 by a crematory manager who is not licensed to practice funeral directing or
20 funeral service or who does not have a crematory manager permit so long as
21 there is no sale, transfer, devise, gift, or any other disposal of a controlling
22 interest in the crematory.
- 23 (13a) ~~"Cremation society" means any Cremation society.~~ – Any person, firm,
24 corporation, or organization that is affiliated with a crematory licensed under
25 this Article and provides cremation information to consumers.
- 26 (14) ~~"Crematory technician" means any Crematory technician.~~ – Any employee of
27 a crematory licensee who has a certificate confirming that the crematory
28 technician has attended a training course approved by the Board. The Board
29 shall recognize the cremation certificate program that is conducted by the
30 Cremation Association of North America (CANA).
- 31 (15) ~~"Final disposition" means the Final disposition.~~ – The cremation and the
32 ultimate interment, entombment, inurnment, or scattering of the cremated
33 remains or the return of the cremated remains by the crematory licensee to the
34 authorizing agent or such agent's designee as provided in this Article. Upon
35 the written direction of the authorizing agent, cremated remains may take
36 various forms.
- 37 (16) ~~"Holding and processing facility" means an Holding and processing facility.~~
38 – An area or areas that are designated for the retention of human remains prior
39 to, and the retention and processing of cremated remains after, cremation; that
40 comply with all applicable public health and environmental laws; preserve the
41 health and safety of the crematory technician and other personnel of the
42 crematory; and that are secure from access by anyone other than authorized
43 persons. A holding facility and processing facility must be located in a
44 crematory.
- 45 (17) ~~"Human remains" means the Human remains.~~ – The body of a deceased
46 person, including a separate human fetus, regardless of the length of gestation,
47 or body parts.
- 48 (17a) Hydrolysis container. – A container, other than a casket, designed to enclose
49 human remains and made of suitable material to be easily destroyed during
50 hydrolysis and to resist spillage and leakage. A hydrolysis container may be a

- 1 cremation container or any other container that meets the requirements of this
2 subdivision.
- 3 (17b) Hydrolysis licensee. – A person or entity licensed to hydrolyze human remains
4 and perform hydrolysis.
- 5 (17c) ~~"Initial container" means a~~ Initial container. – A receptacle for cremated
6 remains, for which the intended use and design is to hold cremated remains,
7 usually composed of cardboard, plastic, or similar material that can be closed
8 in a manner so as to prevent the leakage or spillage of the cremated remains
9 or the entrance of foreign material and is a single container of sufficient size
10 to hold the cremated remains.
- 11 (17d) Liquid waste. – Any liquid remaining after hydrolysis that does not contain
12 any trace elements of human tissue.
- 13 (18) ~~"Niche" means a~~ Niche. – A compartment or cubicle for the memorialization
14 or final disposition of an urn or container containing cremated remains.
- 15 (19) ~~"Processing" means the~~ Processing. – The removal of bone fragments from
16 the cremation chamber for the reduction in size, labeling and packaging, and
17 placing in an urn or initial container.
- 18 (20) ~~"Pulverization" means the~~ Pulverization. – The reduction of identifiable or
19 unidentifiable bone fragments after the completion of the cremation to
20 granulated particles by mechanical means.
- 21 (20a) Reduced human remains. – The remains of a human body after completion of
22 reduction.
- 23 (20b) Reduction. – Alkaline hydrolysis, cremation, and any other method of final
24 disposition of human remains authorized by the Board.
- 25 (20c) Reduction container. – A container, including a cremation container or any
26 other container that meets the requirements of this subdivision other than a
27 casket, designed to enclose human remains and made of suitable material to
28 be easily destroyed during alkaline hydrolysis or cremation and to resist
29 spillage and leakage.
- 30 (21) ~~"Scattering area" means an~~ Scattering area. – An area permitted by North
31 Carolina law including, ~~but not limited to, an~~ an area designated by a cemetery
32 and located on dedicated cemetery property where cremated remains that have
33 been removed from their container can be mixed with or placed on top of the
34 soil or ground cover.
- 35 (22) Repealed by Session Laws 2007-531, s. 18, effective August 31, 2007.
- 36 (23) ~~"Urn" means a~~ Urn. – A receptacle designed to permanently encase the
37 cremated remains."

38 **SECTION 1.2.** G.S. 90-210.122 (Crematory Authority established.) is repealed.

39 **SECTION 1.3.** Section 1.2 of this act becomes effective October 1, 2025. The
40 members appointed to the Crematory Authority shall serve out their respective terms until
41 October 1, 2025, at which point, notwithstanding any other provision of law, the members'
42 respective terms will expire. Members shall be eligible for per diem and necessary travel and
43 subsistence expenses in accordance with G.S. 93B-5 for any eligible expenses incurred up to
44 October 1, 2025. The North Carolina Board of Funeral Service shall ensure that any unpaid,
45 eligible expenses pursuant to G.S. 90-210.122(d) shall be paid to members of the Crematory
46 Authority accordingly.

47 **SECTION 1.4.** G.S. 90-210.123 reads as rewritten:

48 **"§ 90-210.123. Licensing and inspection.**

49 (a) Any person doing business in this State, or any cemetery, funeral establishment,
50 corporation, partnership, joint venture, voluntary organization, or any other entity may erect,
51 maintain, and operate a crematory in this State and may provide the necessary employees,

facilities, structure, and equipment for the cremation of human remains, provided that the person or entity has secured a license as a crematory licensee in accordance with this Article.

(a1) A crematory operating under this Article is required to have a crematory manager. A crematory manager may manage multiple crematories within a 50-mile radius of each other. A crematory may operate for a period not to exceed 30 days without a crematory manager due to the crematory manager's termination or cessation of employment if all of the following criteria are met:

(1) The crematory manager was the only person employed that is eligible to serve as a crematory manager at the time of the crematory manager's end of employment.

(2) The crematory licensee retains one or more crematory technicians to perform cremations.

(3) The crematory licensee registers the name of the crematory technicians with the Board.

(b) A crematory may be constructed on or adjacent to any cemetery, on or adjacent to any funeral establishment that is zoned commercial or industrial, or at any other location consistent with local zoning and environmental regulations.

(c) Application for a license as a crematory licensee shall be made on forms furnished and prescribed by the Board. The Board shall inspect the premises, facilities, structure, and equipment to be used as a crematory, confirm that the crematory manager's and crematory technician's educational certificate is valid, and issue a renewable license to the crematory licensee if the applicant meets all the requirements and standards of the Board and the requirements of this Article.

(d) Every application for licensure shall identify the crematory manager and all crematory technicians employed by the crematory licensee providing that nothing in this Article shall prohibit the designation and identification by the crematory licensee of one individual to serve as a crematory manager and crematory technician. Each crematory licensed in North Carolina shall employ on a full-time basis at least one crematory technician. Every application for licensure ~~and renewal thereof~~ shall include all each crematory technicians' technician's educational ~~certificates~~ certificate. The crematory licensee shall keep the Board informed at all times of the names and addresses of the crematory manager and all crematory technicians. In the event a licensee is in the process of replacing its only crematory technician at the time of license renewal, the licensee may continue to operate the crematory for a reasonable time period not to exceed ~~180~~ 30 days.

(d1) Crematory licensees that offer at-need cremation goods and services to the public shall comply with the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended.

(e) All licenses and permits shall expire on the last day of December of each year. ~~On or after~~ After February 1, a license or permit may be renewed by paying a late fee as provided in G.S. 90-210.132 in addition to the annual renewal fee. Licenses and permits that remain expired six months or more require a new application for renewal. Licenses and permits are not transferable.

(e1) A new application for a license or permit shall be made to the Board within 30 days following a change of ownership of more than fifty percent (50%) of the business. A new application for a license or permit is required if any of the following occur:

(1) A change to the legal structure of a crematory that results in a change of a majority of the crematory licensee's owners, partners, managers, members, operators, or officers.

(2) A crematory licensee's owner, partner, manager, member, operator, or officer that holds a majority of the crematory's ownership interest dies. The estate of

the decedent is permitted to apply for a permit within 180 days of the date of death.

(f) No person, cemetery, funeral establishment, corporation, partnership, joint venture, voluntary organization, or any other entity shall cremate any human remains, except in a crematory licensed for this express purpose and operated by a crematory licensee subject to the restrictions and limitations of this Article or unless otherwise permitted by statute.

(g) Whenever the Board finds that an owner, partner, crematory manager, member, officer, or any crematory technician of a crematory licensee or any applicant to become a crematory licensee, or that any authorized employee, agent, or representative has violated any provision of this Article, or is guilty of any of the following acts, and when the Board also finds that the crematory operator or applicant has thereby become unfit to practice, the Board may suspend, revoke, or refuse to issue or renew the license, in accordance with Chapter 150B of the General Statutes:

- (1) Conviction of ~~a felony or a crime involving fraud or moral turpitude~~ plea of guilty or nolo contendere to a felony or misdemeanor that indicates that the individual is unfit or incompetent to engage in cremations or that the individual has deceived or defrauded the public.
- (1a) Denial, suspension, or revocation of an occupational or business license by another jurisdiction.
- (2) Fraud or misrepresentation in obtaining or renewing a license, in the practice of cremation, or in the operation of a licensee's business.
- (3) False or misleading advertising.
- (4) Solicitation of dead human bodies by the licensee, his agents, assistants, or employees; but this subdivision shall not be construed to prohibit general advertising by the licensee.
- (5) Employment directly or indirectly of any agent, assistant, or other person on a part-time or full-time basis or on commission for the purpose of calling upon individuals or institutions by whose influence dead human bodies may be turned over to a particular licensee.
- (6) The direct or indirect payment or offer of payment of a commission by the licensee or the licensee's agent, assistant, or employees for the purpose of securing business.
- (7) ~~Gross immorality, including being under the influence of alcohol or drugs while performing cremation services.~~ Acts or omissions indicating that the licensee is unable to engage in cremations with reasonable skill and safety by reason of illness, excessive use of alcohol, drugs, chemicals, or any other type of substance, or by reason of any physical or mental abnormality.
- (8) Aiding or abetting an unlicensed person to perform services under this Article, including the use of a picture or name in connection with advertisements or other written material published or caused to be published by the licensee.
- (9) Failing to treat a dead human body with respect at all times.
- (10) Violating or cooperating with others to violate any of the provisions of this ~~Article~~ Article and Article 13A, 13D, or 13E of this Chapter, or of the rules of the Board or violation of Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended.
- (11) Violation of any State law or municipal or county ordinance or regulation affecting the handling, custody, care, or transportation of dead human bodies.
- (12) Refusing to surrender promptly the custody of a dead human body or cremated remains upon the express order of the person lawfully entitled to the custody thereof, except as provided in G.S. 90-210.131(e).

- (13) Indecent exposure or exhibition of a dead human body while in the custody or control of a licensee.
- (14) Practicing funeral directing, embalming, or funeral service without a license.
- (15) Allowing anyone other than a licensee of the Board or a crematory technician to perform a cremation.
- (16) Failure to refund any insurance proceeds received as consideration in excess of the funeral contract purchase price within 30 days of receipt.
- (17) Failure to provide, within a reasonable time, either the goods and services contracted for or a refund for the price of goods and services paid for but not fulfilled.
- (18) Violation of G.S. 58-58-97.
- (19) Failure to respond to the Board's inquiries in a reasonable manner or time regarding any matter affecting the individual's performance of cremations.
- (20) Failure to adequately supervise or oversee auxiliary licensed or unlicensed staff, employees, agents, or contractors, as required by this Article and Article 13D, 13E, or 13F of this Chapter, any rules of the Board, or the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended.
- (21) Knowingly failing to follow the lawful direction of a person with the right to authorize disposition of human remains in accordance with G.S. 130A-420.

In any case in which the Board is authorized to take any of the actions permitted under this subsection, the Board may instead accept an offer in compromise of the charges whereby the accused shall pay to the Board a penalty of not more than five thousand dollars (\$5,000).

(h) Where the Board finds a licensee is guilty of one or more of the acts or omissions listed in subsection (g) of this section but it is determined by the Board that the licensee has not thereby become unfit to practice, the Board may place the licensee on a term of probation in accordance with the procedures set out in Chapter 150B of the General Statutes. In any case in which the Board is entitled to place a licensee on a term of probation, the Board may also impose a penalty of not more than five thousand dollars (\$5,000) in conjunction with the probation. The Board may determine the length and conditions of any period of probation, suspension, revocation, or refusal to issue or renew a license.

(i) The Board may hold hearings in accordance with the provisions of this Article and Article 3A of Chapter 150B of the General Statutes. The Board is empowered to regulate and inspect crematories and crematory licensees and to enforce as provided by law the provisions of this Article and the rules adopted hereunder. Any crematory that, upon inspection, is found not to meet any of the requirements of this Article shall pay a reinspection fee to the Board for each additional inspection that is made to ascertain whether the deficiency or other violation has been corrected. The Board may obtain preliminary and final injunctions whenever a violation of this Article has occurred or threatens to occur. The Board may enforce compliance with the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended, and in accordance with subsection (d1) of this section.

(i1) The Board may apply for injunctive relief in the superior county of (i) where an act is alleged to have taken place, (ii) where the defendant resides, or (iii) Wake County, if any person, firm, corporation, or other entity has committed an act allegedly violating any provision of this Article. If a court of competent jurisdiction finds a defendant has acted in violation of this Article, then the court shall issue an order enjoining and restraining the acts constituting violations. The Board shall be entitled to reimbursement of costs and attorneys' fees expended in an action brought under this subsection.

In addition to the powers enumerated in Chapter 150B of the General Statutes, the Board shall have the power to administer oaths and issue subpoenas requiring the attendance of persons and the production of papers and records before the Board in any hearing, investigation, or proceeding conducted by it. Members of the Board's staff or the sheriff or other appropriate

official of any county of this State shall serve all notices, subpoenas, and other papers given to them by the President of the Board for service in the same manner as process issued by any court of record. Any person who neglects or refuses to obey a subpoena issued by the Board shall be guilty of a Class 1 misdemeanor."

SECTION 1.5. G.S. 90-210.124 (Authorizing Agent.) is repealed.

SECTION 1.6. Article 13F of Chapter 90 of the General Statutes is amended by adding a new section to read:

"§ 90-210.124A. Authorizing agent.

All crematory licensees shall comply with G.S. 130A-420 when acting under their respective scope of practice for dispositions of reduced human remains or body parts."

SECTION 1.7. G.S. 90-210.125 reads as rewritten:

"§ 90-210.125. Authorization to cremate.

(a) A crematory licensee shall not cremate human remains until it has received a cremation authorization form signed by an authorizing agent. The cremation authorization form shall be prescribed by the Board and shall contain at a minimum the following information:

...

(6) A representation that the authorizing agent does in fact have the right to authorize the cremation of the decedent and that the authorizing agent is not aware of any living person who has a superior priority right to that of the authorizing agent, as set forth in ~~G.S. 90-210.124~~ G.S. 130A-420. Or, in the event that there is another living person who does have a superior priority right to that of the authorizing agent, a representation that the authorizing agent has made all reasonable efforts to contact such person, has been unable to do so, and has no reason to believe that such person would object to the cremation of the decedent.

...

(13) If a cremation authorization form is being executed on a preneed basis, the cremation authorization form shall contain the disclosure required by G.S. 90-210.126. The authorizing agent may specify in writing religious practices that conflict with ~~Article 13~~ Article 13A, 13D, or 13F of this Chapter. The crematory licensee and funeral director shall observe those religious practices except where they interfere with cremation in a licensed crematory as specified under G.S. 90-210.123 or the required documentation and record keeping.

...."

SECTION 1.8. G.S. 90-210.126 reads as rewritten:

"§ 90-210.126. Preneed cremation arrangements.

(a) Any person, on a preneed basis, may authorize the person's own cremation and the final disposition of the person's cremated remains by executing, as the authorizing agent, a cremation authorization form on a preneed basis and having the form signed by two witnesses. ~~The witnesses in accordance with G.S. 130A-420. If the person executes a cremation authorization form on a preneed basis, the person shall retain a copy of this form, and a copy shall be sent to the funeral establishment and/or the crematory licensee, licensee, or both. Any person shall have the right to transfer or cancel this authorization at any time prior to the person's death by destroying the executed cremation authorization form and providing written notice to the party or parties that received the cremation authorization form.~~

...."

SECTION 1.9. G.S. 90-210.127 reads as rewritten:

"§ 90-210.127. Record keeping.

(a) The crematory licensee shall furnish to the person who delivers such human remains to the crematory licensee a receipt, signed by both the crematory licensee and the person who

1 delivers the human remains, showing the date and time of the delivery; the type of casket or
2 cremation container that was delivered; the name of the person from whom the human remains
3 were received and the name of the funeral establishment or other entity with whom such person
4 is affiliated; the name of the person who received the human remains on behalf of the crematory
5 licensee; and the name of the decedent. The crematory licensee shall retain a copy of this receipt
6 in its permanent records for three years.

7 (b) Upon its release of ~~cremated-reduced human~~ remains, the crematory licensee shall
8 furnish to the person who receives ~~such cremated~~ those reduced human remains from the
9 crematory licensee a receipt, signed by both the crematory licensee and the person who receives
10 the ~~cremated-reduced human~~ remains, showing the date and time of the release; the name of the
11 person to whom the ~~cremated-reduced human~~ remains were released and the name of the funeral
12 establishment, cemetery, or other entity with whom such person is affiliated; the name of the
13 person who released the ~~cremated-reduced human~~ remains on behalf of the crematory licensee;
14 and the name of the decedent. The crematory shall retain a copy of this receipt in its permanent
15 records for three years.

16 (c) A crematory licensee shall maintain at its place of business a record of all forms
17 required by the Board of each cremation that took place at its facility for three years. A funeral
18 establishment shall maintain at its place of business a record of all forms generated by or provided
19 to it under this Article for a period of three years.

20 (d) The crematory licensee shall maintain a record for three years of all ~~cremated-reduced~~
21 human remains disposed of by the crematory licensee in accordance with G.S. 90-210.126(d).

22 (e) Upon completion of the cremation, the crematory licensee shall issue a certificate of
23 cremation.

24 (f) All records that are required to be maintained under this Article shall be subject to
25 inspection by the Board or its agents upon request."

26 **SECTION 1.10.** G.S. 90-210.128 reads as rewritten:

27 **"§ 90-210.128. Cremation containers.**

28 (a) No crematory licensee shall make or enforce any rules requiring that any human
29 remains be placed in a casket before cremation or that human remains be cremated in a casket,
30 nor shall any crematory licensee refuse to accept human remains for cremation for the reason
31 that they are not in a casket.

32 (b) No crematory licensee shall make or enforce any rules requiring that any cremated
33 remains be placed in an urn or receptacle designed to permanently encase the ~~cremated-reduced~~
34 human remains after the cremation process has been performed."

35 **SECTION 1.11.** G.S. 90-210.129 reads as rewritten:

36 **"§ 90-210.129. Cremation procedures.**

37 (a) For any death occurring in North Carolina certified by the attending physician or other
38 person authorized by law to sign a death certificate under the supervision of a physician, the body
39 shall not be cremated before the crematory licensee receives a death certificate signed by the
40 person authorized to sign the death certificate, which shall ~~contain~~ contain, at a ~~minimum~~
41 minimum, all of the following information:

42 (1) Decedent's ~~name~~ name.

43 (2) Date of ~~death~~ death.

44 (3) Date of ~~birth~~ birth.

45 (4) ~~Sex~~ Sex.

46 (5) Place of ~~death~~ death.

47 (6) Facility name (if not institution, give street and ~~number~~ number).

48 (7) County of ~~death~~ death.

49 (8) City of ~~death~~ and death.

50 (9) Time of death (if known).

51 ...

(g) Human remains shall be cremated only while enclosed in a cremation container. Upon completion of the cremation, and insofar as is possible, all of the recoverable residue of the cremation process shall be removed from the cremation chamber. Insofar as is possible, all residue of the cremation process shall then be separated from any foreign residue or anything else other than bone fragments and then be processed by pulverization so as to reduce the cremated remains to unidentifiable particles. Any foreign residue and anything other than the particles of the cremated remains shall be removed from the ~~cremated-reduced human~~ remains as far as possible and shall be disposed of by the crematory licensee. This section does not apply where law otherwise provides for commingling of human remains. The fact that there is incidental and unavoidable residue in the cremation chamber used in a prior cremation is not a violation of this subsection.

...

(k) Nothing in this Article shall require a crematory licensee to perform a cremation that is impossible or impractical to perform.

(l) The ~~cremated-reduced human~~ remains with proper identification shall be placed in an initial container or the urn selected or provided by the authorizing agent. The initial container or urn contents shall not be contaminated with any other object, unless specific authorization has been received from the authorizing agent or as provided in subsection (g) of this section.

(m) If the ~~cremated-reduced human~~ remains are greater than the dimensions of an initial container or urn, the excess ~~cremated-reduced human~~ remains shall be returned to the authorizing agent or its representative in a separate container or urn.

(n) If the ~~cremated-reduced human~~ remains are to be shipped, the initial container or urn shall be packed securely in a suitable shipping container that complies with the requirements of the shipper. ~~Cremated-Reduced human~~ remains shall be shipped only by a method which has an internal tracing system available and which provides a receipt signed by the person accepting delivery, unless otherwise authorized in writing by the authorizing agent. ~~Cremated-Reduced human~~ remains shall be shipped to the proper address as stated on the cremation authorization form signed by the authorizing agent.

...

(r) A crematory shall refrigerate human remains at a temperature not greater than 40 degrees Fahrenheit, unless the cremation will begin within 24 hours of the time in which the crematory licensee takes custody of the human remains."

SECTION 1.12. G.S. 90-210.130 reads as rewritten:

"§ 90-210.130. Final disposition of ~~cremated-reduced human~~ remains.

(a) The authorizing agent shall provide the person with whom cremation arrangements are made with a signed statement specifying the ultimate disposition of the ~~cremated-reduced human~~ remains, if known. The crematory licensee may store or retain ~~cremated-reduced human~~ remains as directed by the authorizing agent. Records of retention and disposition of ~~cremated-reduced human~~ remains shall be kept by the crematory licensee pursuant to G.S. 90-210.127.

(b) The authorizing agent is responsible for the disposition of the ~~cremated-reduced human~~ remains. ~~If, after a period of 30 days from the date of cremation, If the authorizing agent or the agent's representative has not specified the final disposition or claimed the cremated remains, reduced human remains within 30 days after the crematory licensee provides written notice delivered by certified mail to the authorizing agent's last known address that the reduced human remains are available for retrieval, the crematory licensee or the person in possession of the cremated-reduced human remains may release the cremated-reduced human remains to another family member upon written notification to the authorizing agent delivered by certified mail or dispose of the cremated-reduced human remains only in a manner permitted in this section.~~ Article. The authorizing agent shall be responsible for reimbursing the crematory licensee for all reasonable expenses incurred in disposing of the ~~cremated-reduced human~~ remains pursuant to this section. A record of such disposition shall be made and kept by the

1 person making the disposition. Upon disposing of ~~cremated~~reduced human remains in
2 accordance with this ~~section~~, ~~Article~~, the crematory licensee or person in possession of the
3 ~~cremated~~reduced human remains shall be discharged from any legal obligation or liability
4 concerning ~~such cremated~~those reduced human remains.

5 (c) In addition to the disposal of ~~cremated~~reduced human remains in a crypt, niche,
6 grave, or scattering garden located in a dedicated cemetery, or by scattering over uninhabited
7 public land, the sea, or other public waterways pursuant to subsection (f) of this section, ~~cremated~~
8 reduced human remains may be disposed of in any manner on the private property of a consenting
9 owner, upon direction of the authorizing agent. If ~~cremated~~reduced human remains are to be
10 disposed of by the crematory licensee on private property, other than dedicated cemetery
11 property, the authorizing agent shall provide the crematory licensee with the written consent of
12 the property owner.

13 (d) Except with the express written permission of the authorizing agent, no person
14 ~~may~~shall do any of the following:

15 (1) Dispose of or scatter ~~cremated~~reduced human remains in such a manner or in
16 such a location that the ~~cremated~~reduced human remains are commingled
17 with those of another person. This subdivision shall not apply to the scattering
18 of ~~cremated~~reduced human remains at sea or by air from individual closed
19 containers or to the scattering of cremated remains in an area located in a
20 dedicated cemetery and used exclusively for ~~such~~those purposes.

21 (2) Place ~~cremated~~reduced human remains of more than one person in the same
22 closed container. This subdivision shall not apply to placing the ~~cremated~~
23 reduced human remains of members of the same family in a common closed
24 container designed for the ~~cremated~~reduced human remains of more than one
25 person with the written consent of the family.

26 (e) ~~Cremated~~Reduced human remains shall be released by the crematory licensee to the
27 individual specified by the authorizing agent on the cremation authorization form. The
28 representative of the crematory licensee and the individual receiving the ~~cremated~~reduced human
29 remains shall sign a receipt indicating the name of the deceased, and the date, time, and place of
30 the receipt, and contain a representation that the handling of the final disposition will be in a
31 proper manner. After this delivery, the cremated remains may be transported in any manner in
32 this State, without a permit, and disposed of in accordance with the provisions of this Article.

33 (f) ~~Cremated~~Reduced human remains may be scattered over uninhabited public land,
34 over a public waterway or sea, subject to health and environmental standards, or on the private
35 property of a consenting owner pursuant to subsection (c) of this section. A person may utilize a
36 boat or airplane to perform ~~such scattering~~. ~~Cremated~~scattering under this subsection. Reduced
37 human remains shall be removed from their closed container before they are scattered."

38 **SECTION 1.13.** G.S. 90-210.131 reads as rewritten:

39 **"§ 90-210.131. Limitation of liability.**

40 ...

41 (c) A crematory licensee shall not be responsible or liable for any valuables delivered to
42 the crematory licensee with human remains.

43 (d) A crematory licensee shall not be liable for refusing to accept a body or to perform a
44 cremation until it receives a court order or other suitable confirmation that a dispute has been
45 settled ~~if~~if any of the following are satisfied:

46 (1) It is aware of any dispute concerning the cremation of ~~human remains~~human
47 remains.

48 (2) It has a reasonable basis for questioning any of the representations made by
49 the authorizing ~~agent~~agent, ~~or agent~~.

50 (3) For any other lawful reason.

(e) If a crematory licensee is aware of any dispute concerning the release or disposition of the ~~cremated-reduced human~~ remains, the crematory licensee may refuse to release the ~~cremated-reduced human~~ remains until the dispute has been resolved or the crematory licensee has been provided with a court order authorizing the release or disposition of the ~~cremated-reduced human~~ remains. A crematory licensee shall not be liable for refusing to release or dispose of ~~cremated-reduced human~~ remains in accordance with this subsection. A crematory licensee may charge a reasonable storage fee if the dispute is not resolved within 30 days after it is received by the crematory licensee."

SECTION 1.14. G.S. 90-210.132 reads as rewritten:

"§ 90-210.132. Fees.

(a) By rule, the Board may set and collect fees from crematory and hydrolysis licensees, crematory and hydrolysis manager permit holders, and applicants not to exceed the following amounts:

- (1) Licensee application fee. \$400.00
- (2) Annual renewal fee. 150.00
- (3) Late renewal fee. 75.00
- (4) Reinspection fee. 150.00
- (5) Per cremation or ~~hydrolysis-reduction~~ fee. 10.00
- (6) Late fee, per cremation or ~~hydrolysis-reduction~~. 10.00
- (7) Late fee, cremation or ~~hydrolysis-reduction~~ report. 75.00 per month
- (8) Crematory or hydrolysis manager permit application fee. 150.00
- (9) Annual crematory or hydrolysis manager permit renewal fee. 40.00.

(b) The funds collected pursuant to this Article shall become part of the general fund of the Board.

(c) No later than the tenth day of each month, every crematory licensee and hydrolysis licensee under this Article shall remit to the Board the per cremation or reduction fees for the cremations or reductions which the crematory licensee performed during the immediately preceding calendar month. Each remittance shall be accompanied by a statement signed by an authorized representative of the licensee containing all of the following information:

- (1) The name of the crematory licensee.
- (2) Each decedent's name.
- (3) Date of each cremation or reduction.
- (4) The person or entity from whom each cremation or reduction was performed.
- (5) The number of cremations or reductions contained in the statement.
- (6) The total amount of fees remitted with the statement."

SECTION 1.15. G.S. 90-210.136, as amended by this act, reads as rewritten:

"§ 90-210.136. Hydrolysis of human remains.

(a) ~~The following definitions shall apply in this section:~~

- (1) ~~Recodified as G.S. 90-210.121(1).~~
- (2) ~~Recodified as G.S. 90-210.121(17a).~~
- (3) ~~Recodified as G.S. 90-210.121(17b).~~
- (4) ~~Recodified as G.S. 90-210.121(17d).~~

(b) No person, cemetery, funeral establishment, corporation, partnership, joint venture, voluntary organization, or other entity shall hydrolyze human remains without first obtaining a license from the Board. An application for a license under this subsection shall be made on forms furnished and prescribed by the Board.

(c) Except as otherwise provided by this section, a license for the hydrolysis of human remains shall ~~have the same requirements and comply with all provisions of this Article, including G.S. 90-210.127 and G.S. 90-210.130, and be subject to the same fees as for the~~ licensing of crematories under this Article. The hydrolysis of human remains shall be conducted

in compliance with all requirements for cremation, and the licensee shall pay the same fees for monthly reports for each hydrolysis as crematories under this Article.

...."

SECTION 1.16. G.S. 130A-415(j) reads as rewritten:

"(j) Any funeral director or funeral service licensee doing business within the State having physical possession of a dead body shall make reasonable efforts to contact relatives of the deceased or other persons who may wish to claim the body for final disposition. If the body remains unclaimed for final disposition for 10 days, or if the right to authorize the type, method, place, and disposition, of the dead body is waived under ~~G.S. 130A-420(b1)~~ ~~or G.S. 90-210.124(b)~~, G.S. 130A-420(b1), and if all persons who have expressed interest in arranging for the disposition for the dead body have ceased communication with the person in possession of the dead body for five days, the dead body shall be deemed abandoned. If the funeral director or funeral service licensee receives the dead body from a person or entity listed in subsection (a) of this section, the 10-day period shall run concurrently with any period imposed on that person or entity. Any person having possession of an abandoned dead body shall notify the Commission of Anatomy. Upon request of the Commission of Anatomy, the person having possession of the abandoned dead body shall deliver the abandoned dead body to the Commission of Anatomy at a time and place specified by the Commission of Anatomy or shall permit the Commission of Anatomy to take and remove the abandoned dead body."

SECTION 1.17. This Part becomes effective October 1, 2025.

PART II. FUNERAL TRANSPORTATION AGREEMENTS/INSURANCE

SECTION 2.1.(a) G.S. 90-210.60 reads as rewritten:

"§ 90-210.60. Definitions.

As used in this Article, unless the context requires otherwise:

...

(5) "Preneed funeral contract" means any contract, agreement, or mutual understanding, or any series or combination of contracts, agreements, or mutual understandings, whether funded by trust deposits or prearrangement insurance policies, or any combination thereof, which has for a purpose the furnishing or performance of funeral services, or the furnishing or delivery of personal property, merchandise, or services of any nature in connection with the final disposition of a dead human body, to be furnished or delivered at a time determinable by the death of the person whose body is to be disposed of, but does not mean the furnishing of a cemetery lot, crypt, niche, or ~~mausoleum~~; mausoleum. This term does not include a transportation protection agreement.

...

(10) "Transportation protection agreement" means an agreement that primarily provides for the coordination and arranging of all professional services related to the preparation of human remains or cremated remains for the purpose of initial and subsequent transportation of those remains."

SECTION 2.1.(b) G.S. 90-210.72 reads as rewritten:

"§ 90-210.72. Nonapplication to certain funeral contracts.

This Article does not apply to ~~contracts~~ any of the following:

(1) Contracts for funeral services or merchandise sold as preneed burial insurance policies pursuant to Part 13 of Article 10 of Chapter 143B of the North Carolina General Statutes or to replacements policies pursuant to Article 13E of this Chapter.

(2) Replacements or conversions of such policies pursuant to G.S. 143B-472.28; G.S. 90-210.106.

(3) A transportation protection agreement as defined in this Article."

SECTION 2.1.(c) The North Carolina Board of Funeral Service may adopt rules to implement the provisions of this section.

SECTION 2.1.(d) This section becomes effective October 1, 2025, and applies to preneed funeral contracts and transportation protection agreements entered into on or after that date.

SECTION 2.2.(a) G.S. 58-7-15 reads as rewritten:

"§ 58-7-15. Kinds of insurance authorized.

The kinds of insurance that may be authorized in this State, subject to the other provisions of ~~Articles 1 through 64~~ of this Chapter, are set forth in this section. Except to the extent an insurer participates in a risk sharing plan under Article 42 of this Chapter, nothing in this section requires any insurer to insure every kind of risk that it is authorized to insure. Except to the extent an insurer participates in a risk sharing plan under Article 42 of this Chapter, no insurer may transact any other business than that specified in its charter and articles of association or incorporation. The power to do any kind of insurance against loss of or damage to property includes the power to insure all lawful interests in the property and to insure against loss of use and occupancy and rents and profits resulting therefrom; but no kind of insurance includes life insurance or insurance against legal liability for personal injury or death unless specified in this section. In addition to any power to engage in any other kind of business than an insurance business that is specifically conferred by the provisions of ~~Articles 1 through 64~~ of this Chapter, any insurer authorized to do business in this State may engage in such other kinds of business to the extent necessarily or properly incidental to the kinds of insurance business that it is authorized to do in this State. Each of the following indicates the scope of the kind of insurance business specified:

(1) "Life insurance", meaning every insurance upon the lives of human beings and every insurance appertaining thereto. The business of life insurance includes the granting of endowment benefits; additional benefits in the event of death by accident or accidental means; additional benefits operating to safeguard the contract from lapse, or to provide a special surrender value, in the event of total and permanent disability of the insured, including industrial sick benefit; and optional modes of settlement of proceeds. The business of life insurance does not include the provision of transportation protection agreements, as defined under G.S. 90-210.60.

...."

SECTION 2.2.(b) G.S. 58-58-1 reads as rewritten:

"§ 58-58-1. Definitions; requisites of contract.

(a) All corporations or associations doing business in this State, under any charter or statute of this or any other state, involving the payment of money or other thing of value to families or representatives of policy and certificate holders or members, conditioned upon the continuance or cessation of human life, or involving an insurance, guaranty, contract, or pledge for the payment of endowments or annuities, or who employ agents to solicit such business, are life insurance companies, in all respects subject to the laws herein made and provided for the government of life insurance companies, and shall not make any such insurance, guaranty, contract, or pledge in this State with any citizen, or resident thereof, which does not distinctly state the amount of benefits payable, the manner of payment, the consideration therefor and such other provisions as the Commissioner may require.

(b) This section does not apply to a preneed licensee under Article 13D of Chapter 90 of the General Statutes or for the purposes of a transportation protection agreement, as defined under G.S. 90-210.60."

SECTION 2.2.(c) G.S. 58-58-125 reads as rewritten:

"§ 58-58-125. Minimum premium rates for assessment life insurance companies.

No assessment life insurance corporation, organization or association of any kind issuing policies or contracts upon the life of any resident of this State shall hereafter be organized or licensed by the Commissioner unless such corporation, organization or association adopt premium rates based upon the attained age of the assured at the time of issuance of the contract and such rates shall not be less than those fixed by the American Experience Table of Mortality or any other recognized table of mortality approved by the Commissioner. Nothing contained in this section shall be construed to affect burial associations regulated under G.S. 143B-472 through 143B-472.28 Article 13E of Chapter 90 of the General Statutes or railroad burial associations."

SECTION 2.2.(d) G.S. 58-58-330(a) reads as rewritten:

"(a) This Part does not apply to solicitations or sales ~~involving~~involving any of the following:

...

(7) Contracts used to ~~fund~~fund any of the following:

...

f. Prearranged funeral contracts, contracts or transportation protection agreements, as both terms are defined under G.S. 90-210.60."

SECTION 2.2.(e) G.S. 58-58-335(8) reads as rewritten:

"(8) "Life insurance" means insurance coverage on human lives, including benefits of endowment and annuities, and may include benefits in the event of death or dismemberment by accident and benefits for disability income; and unless otherwise specifically excluded, includes individually issued annuities. In accordance with G.S. 58-7-15, this term does not include a transportation protection agreement."

SECTION 2.2.(f) G.S. 58-60-35(a) reads as rewritten:

"§ 58-60-35. Disclosure of prearrangement insurance policy provisions.

(a) ~~As used~~The following definitions apply in this section:

(1) ~~"Prearrangement" means any~~ Prearrangement. – A contract, agreement, or mutual understanding, or any series or combination of contracts, agreements or mutual understandings, whether funded by trust deposits or prearrangement insurance policies, or any combination thereof, which has for a purpose the furnishing or performance of specific funeral services, or the furnishing or delivery of specific personal property, merchandise, or services of any nature in connection with the final disposition of a dead human body, to be furnished or delivered at a time determinable by the death of the person whose body is to be disposed of, but does not mean the furnishing of a cemetery lot, crypt, niche, mausoleum, grave marker or monument. This term does not include a transportation protection agreement, as defined under G.S. 90-210.60.

(2) ~~"Prearrangement insurance policy" means a~~ Prearrangement insurance policy. – A life insurance policy, annuity contract, or other insurance contract, or any series of contracts or agreements in any form or manner, issued on a group or individual basis by an insurance company authorized by law to do business in this State, which, whether by assignment or otherwise, has for its sole purpose the funding of a specific preneed funeral contract or a specific insurance-funded funeral or burial prearrangement, the insured being the person for whose service the funds were paid."

SECTION 2.2.(g) This section becomes effective October 1, 2025, and applies to preneed funeral contracts and transportation protection agreements entered into on or after that date.

SECTION 2.3.(a) G.S. 58-58-97 reads as rewritten:

**"§ 58-58-97. Provision of life insurance information ~~upon notification of insured's death, to~~
funeral provider.**

(a) Any person licensed to practice funeral directing or any employee of a funeral establishment licensed under the provisions of Article 13A of Chapter 90 of the General Statutes providing funeral service, as that term is defined in G.S. 90-210.20, ~~for~~ may request from a life insurance carrier information regarding a life insurance contract or contracts as follows:

(1) For a prospective policy beneficiary when that beneficiary is requesting the use of a life insurance policy for the fulfilment of funeral services, by providing the insurer a written authorization from the prospective policy beneficiary.

(2) For a deceased person insured or believed to be insured under a contract of life insurance or under a group life insurance policy may request information regarding the deceased person's life insurance contracts policy, by providing an insurer with (i) a copy of a notification of death filed pursuant to G.S. 130A-112, (ii) written authorization from the person or persons with legal authority to direct disposition of the deceased's body as prescribed under ~~G.S. 90-210.124 or~~ G.S. 130A-420, and (iii) in the case of a person covered or believed to be covered under a group life insurance policy, the affiliation of the deceased entitling them to coverage under the group life insurance policy.

(a1) As soon as possible. No later than one business day after receipt of the request, a request under this section, the life insurance company shall inform the person authorized by this section to make an inquiry of the following: ~~following information:~~

(1) The existence of any contract insuring the life of the deceased person.

(2) Any beneficiaries on record under any life insurance contract insuring the life of a prospective policy beneficiary or the deceased person.

(3) The amount of any liens or loans outstanding on the policy.

(4) The amount of benefits payable to the beneficiaries.

(5) Whether the policy has been reinstated within the last 24 months.

The insurer shall provide a claim form to any person or assignee making the request.

(b) If any person making a written request under subsection (a) of this section who has provided all the information required by subsection (a) of this section does not receive a ~~timely~~ response within one business day from the insurer, then the person may refer the request to the Consumer Services Division of the Department, which shall treat the referral as a consumer complaint. The referral shall include all the information provided to the insurer under subsection (a) of this section as well as copies of all communications and information received from the insurer regarding the request for information. Failure to meet the deadline for the provision of information under this section may subject the insurer to a penalty under G.S. 58-2-70.

(c) ~~If~~ In the case of a deceased person, if the beneficiary of record under the life insurance contract or group life insurance policy is not the estate of the deceased, then any person authorized to request information under subsection (a) of this section shall make reasonable efforts to locate the beneficiaries within 100 hours of receiving information from the insurance carrier regarding any life insurance contracts or group life insurance policies and shall provide to all beneficiaries all documents and information obtained from the insurance carrier. The person obtaining the information also shall inform all beneficiaries in writing in bold print that "THE BENEFICIARY OF A LIFE INSURANCE POLICY HAS NO LEGAL DUTY OR OBLIGATION TO SPEND ANY OF THAT MONEY ON THE FUNERAL, DEBTS, OR OBLIGATIONS OF THE DECEASED" and shall do so before discussing with the beneficiaries financial arrangements for burial of the deceased.

...."

SECTION 2.3.(b) G.S. 58-39-75(4a) reads as rewritten:

"(4a) To a person making an inquiry authorized under ~~G.S. 58-58-97~~ ~~when providing funeral service to a deceased insured; G.S. 58-58-97;~~ or"

SECTION 2.3.(c) This section is effective 30 days after it becomes law and applies to inquiries made to life insurance carriers doing business in this State on or after that date.

SECTION 2.4. Except as otherwise provided, this Part is effective when it becomes law.

PART III. RULEMAKING AND EFFECTIVE DATE

SECTION 3.1. The North Carolina Board of Funeral Service may adopt temporary rules to implement the provisions of this act. Temporary rules adopted in accordance with this section shall remain in effect until permanent rules that replace the temporary rules become effective.

SECTION 3.2. Except as otherwise provided, this act is effective when it becomes law.