

Fifty-ninth
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1330

Introduced by

Representatives Dosch, Klemin, L. Meier

Senator Dever

1 A BILL for an Act to create and enact section 43-10-22.2 of the North Dakota Century Code,
2 relating to funeral establishment ownership disclosures.

3 **BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

4 **SECTION 1.** Section 43-10-22.2 of the North Dakota Century Code is created and
5 enacted as follows:

6 **43-10-22.2. Disclosure of ownership - Change in ownership.**

- 7 1. A funeral establishment shall include in all price lists and contracts a statement as
8 to who owns the controlling interest in the funeral establishment.
- 9 2. Within thirty days of a change in ownership of a funeral establishment, the funeral
10 establishment shall notify each pre-need consumer by first-class mail of the
11 change in ownership. The notification must inform each pre-need consumer of the
12 consumer's right to transfer all pre-need deposited funds to a new establishment
13 and must inform each pre-need consumer who has revocable pre-need deposited
14 funds of the consumer's right to terminate the deposit and receive a refund of all
15 principal paid and interest accrued.
- 16 3. For purposes of this section:
- 17 a. "Change in ownership" means the sale or transfer of all or substantially all of
18 the assets of a funeral establishment, the sale or transfer of a controlling
19 interest of a funeral establishment, or the termination of the business of a
20 funeral establishment in which there is no transfer of assets or stock.
- 21 b. "Controlling interest" means an interest in a partnership of greater than fifty
22 percent; a membership interest in a limited liability company of greater than
23 fifty percent; or greater than fifty percent shareholder of the issued and
24 outstanding shares of a stock of a corporation.