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Fifty-ninth
Legislative Assembly
of North Dakota

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 of the funeral establishment's business

8   literature, correspondence, advertising, price lists, and contracts a statement as to

9   who owns the controlling interest in the funeral establishment.

10   2.   Within fifteen days of a change in ownership of a funeral establishment, the funeral

11   establishment shall notify each pre-need consumer by first-class mail of the

12   change in ownership. The notification must inform each pre-need consumer of the

13   consumer's right to transfer all pre-need deposited funds to a new establishment

14   and must inform each pre-need consumer who has revocable pre-need deposited

15   funds of the consumer's right to terminate the deposit and receive a refund of all

16   principal paid and interest accrued.

17   3.   For purposes of this section:

18   a.   "Change in ownership" means the sale or transfer of all or substantially all of

19   the assets of a funeral establishment, the sale or transfer of a controlling

20   interest of a funeral establishment, or the termination of the business of a

21   funeral establishment in which there is no transfer of assets or stock.

22   b.   "Controlling interest" means an interest in a partnership of greater than fifty

23   percent; a membership interest in a limited liability company of greater than

1   fifty percent; or greater than fifty percent shareholder of the issued and

2   outstanding shares of a stock of a corporation.