

**SUBJECT:** Authorizing recovery of investigation costs against prepaid funeral plans

**COMMITTEE:** Pensions, Investments and Financial Services — favorable, without amendment

**VOTE:** 9 ayes — Murphy, Vo, Capriglione, Flynn, Gervin-Hawkins, Gutierrez, Lambert, Leach, Wu

0 nays

2 absent — Longoria, Stephenson

**WITNESSES:** For — Jim Bates, Funeral Consumers Alliance of Texas

Against — None

On — (*Registered, but did not testify:* Charles Cooper and Stephanie Newberg, Texas Department of Banking)

**BACKGROUND:** Finance Code secs. 154.302 and 154.304 require sellers of prepaid funeral contracts to provide notice of and deliver abandoned funds to the banking commissioner annually on certain dates. Finance Code sec. 154.400 authorizes the commissioner to investigate prepaid funeral service providers based on reasonable suspicion of wrongdoing.

**DIGEST:** HB 3162 would authorize the banking commissioner to recover reasonable costs incurred in connection with an investigation into prepaid funeral service violations in which a violation was determined to have occurred.

The bill also would update deadlines for the annual notice and delivery of abandoned funds related to prepaid funeral service contracts to bring them into line with other annual reports sent to the banking commissioner.

The bill would take effect September 1, 2019.