

By: Senator(s) Kirby

To: Insurance

SENATE BILL NO. 2919

1 AN ACT TO AMEND SECTION 75-63-53, MISSISSIPPI CODE OF 1972,
2 TO CLARIFY THE DEFINITION OF THE TERM "INSURANCE" IN REGARD TO
3 PRE-NEED FUNERAL CONTRACTS; AND FOR RELATED PURPOSES.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI:

5 **SECTION 1.** Section 75-63-53, Mississippi Code of 1972, is
6 amended as follows:

7 75-63-53. As used in this article, unless the context
8 requires otherwise:

9 (a) "Buyer" means the person who purchases the pre-need
10 contract.

11 (b) "Cash advance item" means any item of service or
12 merchandise described to a purchaser as a "cash advance,"
13 "accommodation," "cash disbursement" or similar term. A cash
14 advance item is also any item obtained from a third party and paid
15 for by the funeral provider on the purchaser's behalf. Cash
16 advance items may include, but are not limited to: cemetery or
17 crematory services; pallbearers; public transportation; clergy
18 honoraria; flowers; musicians or singers; nurses; obituary
19 notices; gratuities and death certificates.

20 (c) "Cemetery" means an organization as defined in
21 Section 41-43-33, Mississippi Code of 1972.

22 (d) "Contract insured" means the person upon whose
23 death will initiate the performance of a pre-need contract.

24 (e) "Contract provider" means the funeral home,
25 cemetery or other providers of merchandise and/or service in a
26 pre-need contract that will be responsible for performing a
27 pre-need contract.

28 (f) "Financial institution" means a bank, trust
29 company, savings bank, or savings and loan association chartered
30 and authorized to do business in this state.

31 (g) "Funeral home" means a business licensed under
32 Section 73-11-55, Mississippi Code of 1972.

33 (h) "Inflation proof contract" means a pre-need
34 contract that establishes a fixed price for funeral services and
35 merchandise without regard to future price increases.

36 (i) "Insurance" means a life insurance policy, an
37 annuity policy, or a Class A or Class B burial insurance policy.

38 (j) "Merchandise" means personal property associated
39 with the disposal of or memorializing a deceased human being,
40 including, but not limited to, a casket, burial vault, burial
41 clothes, urn or monument.

42 (k) "Pre-need contract" means any contract, agreement
43 or any series or combination of contracts or agreements, whether
44 funded by trust deposits or insurance, or any combination thereof,
45 which has for a purpose the furnishing or performance of funeral
46 services, or the furnishing or delivery of merchandise, of any
47 nature in connection with the final disposition of a dead human
48 body, to be furnished or delivered at a time determinable by the
49 death of the person whose body is to be disposed of but shall not
50 mean the furnishing of a cemetery lot, crypt, niche or mausoleum.

51 (l) "Seller" means the person who sells a pre-need
52 contract.

53 (m) "Services" means services of any nature in
54 connection with the final disposition of a dead human body.

55 (n) "Standard contract" means a pre-need contract that
56 applies the trust funds or insurance proceeds to the purchase
57 price of specific funeral services and specific merchandise at the
58 time of death of the contract insured without a guarantee against
59 future price increases.

60 (o) "Trust" means an express trust created by a trust
61 instrument whereby a trustee has the duty to administer a trust
62 asset for the benefit of a named pre-need contract insured.

63 (p) "Trustee" means an original, added or successor
64 trustee including its successor by merger or consolidation.

65 **SECTION 2.** This act shall take effect and be in force from
66 and after its passage.