



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

AMENDED

FACT SHEET FOR H.B. 2140

funeral services; alkaline hydrolysis

Purpose

Makes various changes to the statutes governing funeral industry professionals, licensure and regulations.

Background

The Department of Health Services (DHS) and the DHS Funeral Services Licensing Advisory Committee (Advisory Committee) oversee the funeral services industry following the 2023 termination of the State Board of Funeral Directors and Embalmers. The Advisory Committee consists of seven members appointed by the Governor and assists DHS with oversight ([A.R.S Title 32, Chapter 12](#)).

DHS enforces funeral service regulations, collects regulatory fees and administers licensure and registration of funeral establishments and professionals, including funeral directors, embalmers, cremationists, alkaline hydrolysis facilities and alkaline hydrolysis operators. All licenses issued by DHS to funeral industry professionals expire each year on August 1. Licensees must submit a license renewal application and a non-refundable renewal fee by July 1 of each year. Any licensee who fails to submit a renewal application and the applicable fee by August 1 must apply for licensure as an original applicant ([A.R.S. § 32-1331](#); [DHS](#)).

[Laws 2022, Chapter 257](#) established alkaline hydrolysis as a permissible method for the final disposition of deceased human bodies in Arizona and established licenses for alkaline hydrolysis facilities and operators. *Alkaline hydrolysis* is the process of reducing a deceased human body to essential elements via a water-based dissolution process utilizing alkaline chemicals, heat, agitation and pressure to expedite natural decomposition. Statute prohibits operating an alkaline hydrolysis facility without a license and requires licensed operators to meet prescribed educational requirements. Alkaline hydrolysis facilities must maintain an appropriate refrigerated holding facility or other means for refrigerating dead human bodies awaiting alkaline hydrolysis that is approved by DHS and that maintains dead human bodies at or below 38 degrees Fahrenheit (A.R.S §§ [32-1301](#); [32-1341](#); and [32-1342](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

Licenses and Fees

1. Specifies that funeral services industry licenses, registrations or endorsements do not expire and remain valid unless:
 - a) DHS revokes or suspends the license, registration or endorsement; or
 - b) the licensee fails to pay certain fees or outstanding civil penalties or fails to enter into an agreement with DHS to pay the outstanding fees or penalties.
2. Removes the requirement for DHS to renew licenses and establish and collect funeral industry license renewal fees.
3. Allows DHS to revoke, rather than refuse to renew, a license, registration or endorsement under prescribed conditions.
4. Requires DHS to establish and collect fees for:
 - a) prearranged funeral sales establishment endorsements;
 - b) multiple funeral director licenses; and
 - c) interim permits for crematories and alkaline hydrolysis facilities.
5. Allows a person who was a licensed embalmer's assistant on March 31, 2023, to continue to be licensed following the payment of any lapsed or required fees.
6. Requires a person who desires to reactivate a license to submit an attestation that the person completed the required continuing education units and removes the requirement for a person to pass the applicable state laws and rules examination to reactivate a license.
7. Removes DHS's authorization to waive continuing education requirements for persons other than those serving in the U.S. Armed Forces in a time of war.

Pathway to Embalmer Licensure

8. Removes, as a condition in determining that a person is on a pathway to embalmer licensure, the requirement that the person be employed by a funeral establishment for not more than three years.
9. Prohibits the pathway to embalmer licensure duration period from exceeding three years and determines that the pathway begins either:
 - a) when the person is enrolled in an accredited school of mortuary science and assists in the embalming of dead human bodies under the direct supervision of a licensed embalmer or assists in the arranging and directing of funerals; or
 - b) after the person has graduated from an accredited school of mortuary science, passed the prescribed examinations and assists in the embalming of dead human bodies under the direct supervision of a licensed embalmer or assists in the arranging and directing of funerals.

10. Requires a person on a pathway to embalmer licensure or the funeral establishment providing direct supervision of a person on a pathway to licensure to submit information to DHS that verifies that the person is on a pathway to licensure.
11. Exempts a person who was a licensed embalmer's assistant on March 31, 2023, from the statutory requirements relating to pathway to licensure.

Interviews, Hearings and Records

12. Removes the authorization for DHS to initiate an informal interview or conduct a formal hearing regarding complaints if it appears that grounds for disciplinary action exist following an initial investigation.
13. Removes the requirement for DHS to serve notice and conduct an administrative hearing prior to revoking or suspending a license or endorsement and removes relevant requirements relating to rehearings, appeals and notices.
14. Repeals the authorization for DHS to assess a licensee for administrative costs and expenses incurred when conducting an informal interview or formal hearing.
15. Removes the designation of complaints, investigative reports, documents, exhibits, and other materials related to an investigation as confidential, non-public records and eliminates the requirement for DHS to release confidential information regarding an informal interview to the interviewee and the public.
16. Designates information received and records kept by DHS for funeral regulation administrative purposes as publicly available, excluding information that causes DHS to believe that an inspection of a licensee or facility is needed to determine compliance.

Complaints and Disciplinary Actions

17. Removes the requirement for DHS to inform a licensee of a complainant's name following receipt of a complaint.
18. Specifies that DHS may release only the general nature of a complaint to the public.
19. Allows, as a disciplinary action, DHS to suspend or revoke a funeral service industry license or endorsement.
20. Removes the 30-day time period for which a temporary license suspension or endorsement may be in place.
21. Specifies that the civil penalty that DHS may assess as a disciplinary action, in an amount of up to \$1,000 per violation, is against a person who violates funeral industry statute or rules.
22. Specifies that each day a violation occurs constitutes a separate violation.
23. Outlines factors for DHS to consider in determining the amount of a civil penalty as follows:
 - a) repeated violations of statutes or rules by the person;

- b) patterns of noncompliance by the person;
- c) the types of violations;
- d) the severity of violations;
- e) the potential for and occurrences of actual harm;
- f) threats to health and safety;
- g) the number of persons affected by the violations;
- h) the number of violations;
- i) the size of the facility; and
- j) the length of time that the violations have been occurring.

24. Requires an action to enforce the collection of a civil penalty to be brought by the Attorney General or the county attorney in the justice or superior court.

Alkaline Hydrolysis

25. Prohibits a person from advertising or engaging in cremation or alkaline hydrolysis without a valid license.

26. Removes the requirement for an alkaline hydrolysis facility's refrigerated holding facility to be approved by DHS.

27. Applies the statutory requirements relating to the lawful disposition of dead human bodies by written consent to alkaline hydrolysis and alkaline hydrolysis facilities.

Advisory Committee

28. Specifies that the Advisory Committee is established to advise the Director of DHS on matters relating to the regulation of the funeral services industry.

29. Requires Advisory Committee members to be appointed by the Director of DHS, rather than the Governor.

30. Removes the requirement for the Advisory Committee to present an annual performance evaluation to the Governor on the performance of the Director and DHS relating to enforcing and administering funeral service industry regulations.

Regulations and Rulemaking

31. Requires DHS to adopt rules for standards of practice, professional conduct, competence and consumer disclosure relating to owning and operating an alkaline hydrolysis facility.

32. Applies the statutory preparation room requirements to funeral establishments that embalm on-site.

33. Specifies that a funeral establishment that embalms at a central location and not on-site is not required to have an on-site preparation room.

34. Stipulates that a licensed funeral establishment that embalms at a central location and not on-site must provide to DHS the central location's name, address and license number.

35. Requires a funeral establishment's annual report concerning prearranged funeral sales to include the name of the registered salesperson who sold each prearranged funeral.
36. Requires a licensee who makes funeral arrangements via interstate telecommunications to perform services in Arizona with a person residing out-of-state to provide written funeral goods and services price lists electronically, unless the person does not have internet access.

Miscellaneous

37. Modifies the definition of *authorizing agent*, *license*, and *unprofessional conduct*.
38. Makes technical and conforming changes.
39. Becomes effective on the general effective date.

Amendments Adopted by Committee

1. Reverts DHS inspections of funeral establishments, crematories, and alkaline hydrolysis facilities to once every five years, rather than every two years.
2. Reinstates the authorization for an alkaline hydrolysis facility to be operated by a responsible cremationist.
3. Reinstates the authorization for an unlicensed person to practice as an alkaline hydrolysis operator if the alkaline hydrolysis facility is operated by a responsible cremationist or a licensed alkaline hydrolysis operator.
4. Removes the requirement for an alkaline hydrolysis facility's refrigerated holding facility to be approved by DHS.
5. Removes the specification that a funeral establishment that embalms at a central location must meet minimum standards adopted by DHS.
6. Makes technical changes.

Amendments Adopted by Committee of the Whole

1. The committee amendment was withdrawn.
2. Specifies that a funeral establishment that embalms at a central location and not on-site is not required to have an on-site preparation room.
3. Reverts DHS inspections of funeral establishments, crematories, and alkaline hydrolysis facilities to once every five years, rather than every two years.
4. Reinstates the authorization for an alkaline hydrolysis facility to be operated by a responsible cremationist.

5. Reinstates the authorization for an unlicensed person to practice as an alkaline hydrolysis operator if the alkaline hydrolysis facility is operated by a responsible cremationist or a licensed alkaline hydrolysis operator.
6. Removes the requirement for an alkaline hydrolysis facility's refrigerated holding facility to be approved by DHS.
7. Makes technical changes.

House Action

Senate Action

COM	1/30/24	DPA	10-0-0-0	FICO	3/4/24	DPA	7-0-0
3 rd Read	2/15/24		44-14-1-0-1				

Prepared by Senate Research

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