

MINUTES OF THE
MEETING OF THE SENATE COMMITTEE
ON COMMERCE AND LABOR

SIXTY-FIRST SESSION
NEVADA STATE LEGISLATURE
MARCH 18, 1981

The Senate Committee on Commerce and Labor was called to order by Chairman Thomas R. C. Wilson, at 1:32 p.m., Monday, March 18, 1981, in Room 213 of the Legislative Building, Carson City, Nevada. Exhibit A is the Meeting Agenda. Exhibit B is the Attendance Roster.

COMMITTEE MEMBERS PRESENT:

Senator Thomas R. C. Wilson, Chairman
Senator Richard Blakemore, Vice Chairman
Senator Don Ashworth
Senator William Hernstadt
Senator William Raggio
Senator Clifford McCorkle

COMMITTEE MEMBER ABSENT:

Senator Melvin Close

STAFF MEMBER PRESENT:

Frances A. Kindred, Committee Secretary

SENATE BILL NO. 329--Removes restriction on locations
where optometry may be practiced.

Chairman Wilson opened the meeting by indicating there had been some confusion on Senate Bill No. 329. Consequently, the committee would hear whatever testimony was going to be given today, and reschedule an additional hearing for further testimony. Senator Hernstadt stated he planned to talk in favor of the bill. However, if no one else was present to testify, he also would testify another day. He submitted a memorandum supporting the bill. (See Exhibit C.) Senator Don Ashworth agreed with Senator Hernstadt that all the testimony should be heard at

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one time. With no other persons present to testify, Chairman Wilson scheduled Senate Bill No. 329 for another hearing date.

SENATE BILL NO. 280--Amends provision for eligibility for unemployment compensation after discharge for misconduct.

Chairman Wilson opened the hearing on Senate Bill No. 280, which was introduced by Senator Neal. However, since Senator Neal was not present to testify on the bill, Chairman Wilson suggested the committee wait until he can be present, and move on to the next bill.

SENATE BILL NO. 346--Requires written estimate of costs at time of funeral arrangements.

Chairman Wilson opened the hearing on Senate Bill No. 346, which was introduced by Senator Faiss, who was unable to be present.

Mr. Ken Knauss, with the Palm Mortuary in Las Vegas, submitted examples of some funeral service purchase agreement forms (see Exhibit D). Mr. Knauss stated his firm was not against itemization. He said in fact, they practice it and encourage it. However, he indicated funeral directors were opposed to Senate Bill No. 346 in its present form, because it is much too vague and general in structure. Mr. Knauss said, that to his knowledge, every mortuary in the state provides written and itemized contracts in almost all circumstances. Mr. Knauss said it is impossible to itemize every item of merchandise and every item of service provided; and the bill would require this. He indicated there are some times when it is not possible to provide written agreements as when arrangements are made over the telephone from a long distance, or air transport is necessary and the exact charges are not known. Mortuaries protect themselves by requiring people to sign a contract clearly stating the cost, the cash advances and the financial obligation being assumed by the family. Mr. Knauss stated the same bill was introduced in the 1979 legislature and never left the committee, and he recommends the same treatment for Senate Bill No. 346.

Senator Hernstadt commented the purchase agreement forms submitted by Mr. Knauss (see Exhibit D) are detailed and comprehensive. He asked why, if the mortuaries already provide itemized agreements, passage of the bill would be a problem. Mr. Knauss replied Senate Bill No. 346 would require every item to be itemized and it would be impossible to fulfill those requirements.

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Senator Hernstadt wanted to know why the law could not be amended to provide for people to get the itemized forms in advance, or at the time they commit themselves, so they know exactly what they are paying for.

Mr. Lee Smith, representing the Nevada Funeral Association, felt the statement he was presenting to the committee (see Exhibit E), would provide an answer to Senator Hernstadt's question. Mr. Smith pointed out the consumer did receive a copy of the purchase agreement at the time funeral arrangements are made, and prior to service rendered. He submitted his written testimony (see Exhibit E) opposing passage of Senate Bill No. 346 in its present form.

Senator Wilson felt Senator Hernstadt's query was unanswered. He assumed there was a method by which the mortuaries break down, itemize and charge for whatever amount the total bill is. Mr. Smith indicated the association could probably support the bill if it clarified what was required of them. Their concern is for the interpretation of the present wording. Senator Hernstadt suggested the Nevada Funeral Association might like to provide language to the committee to enable them to process the bill, along with the Federal Trade Commission's requirements. Mr. Smith commented they would be glad to do so. (See Exhibit F.)

Mr. Knaus inquired if there were other bills pending before the committee which required other professions or industries to itemize all their charges. He wondered if the funeral profession was being singled out. He stated the implication was that funeral homes take advantage of people; and this bill would stop the practice. Senator Wilson agreed theirs was the only bill at this time. However, he commented there are two concerns of the committee: is the bill needed, and is it justified? He said if the funeral association members do not consider the language reasonable, they are welcome to offer language they would consider appropriate.

Senator Raggio asked Mr. Smith how many funeral companies in Nevada belong to the Nevada Funeral Services Association. Mr. Smith replied that 14 of the 18 companies in the state belong. Senator Raggio said it was his understanding that the mortuary services throughout the country, in response to strong public feeling on the subject, have adopted some kind of criteria for total ethics of conduct. He wondered if the Nevada association had adopted any such code of conduct. Mr. Smith replied

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they had adopted such a code; but he did not have a copy with him. He added there were no abuses in Nevada that he was aware of. He stated, for example, they are so cognizant of people's emotional states they let them go into the casket room to choose for themselves. In response to Senator Raggio's question, Mr. Smith indicated the casket price no longer includes the funeral service as it did in the past.

Mr. Orvis Reil, representing the National Retired Teachers' Association and the American Association of Retired People, stated he was in favor of Senate Bill No. 346 and had, in fact been instrumental in getting it introduced. He said that two years ago a similar bill was unsuccessful because Congress and the state legislature were not in accord. He said the bill is necessary because there are funeral homes which do take advantage of people, particularly older people who are encouraged to spend more than they can afford for funeral services. Mr. Reil stated the purpose of this legislation was to control those whose ethics were weak; not to harass those who are doing a good job.

Mr. Gerald Prindiville, also representing the American Association of Retired Persons and the National Retired Teachers' Association, presented his written testimony (see Exhibit G) in support of the bill. He stated there are over 5,000 AARP members in Nevada, and over 13 million members nationally. Mr. Prindiville hoped the committee would give serious consideration to passage of Senate Bill No. 346, as written.

Senator Hernstadt stated he would have been a co-introducer of this bill if he acted sooner. He introduced a similar bill last session and is pleased that Senator Faiss had introduced this one. Since Senator Faiss could not be present to speak for the bill himself, Senator Hernstadt would testify on behalf of the bill and presented a handout supporting it. (See Exhibit H.) He recalled his first intimate knowledge of this kind of situation was when his 87 year old father passed away. Although the state of New York had this kind of law in effect for many years, the situation was a trying thing even for a calm and prepared person. Senator Hernstadt commented that after the purchase of a home and an automobile, the purchase of a funeral is the third largest expense a family can face. However, when shopping for a home or a car, there is not the tremendous time pressure nor the the opportunity to shop around. Since the deceased has to be disposed of fairly rapidly, it is not expedient to carry the deceased around to various mortuaries while shopping for the best service.

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Senator Hernstadt remarked that the funeral service situation has been studied by the Federal Trade Commission (see Exhibit F). He stated that 31 states including 5 larger ones (California, Minnesota, New York, New Jersey, and Florida) have such regulatory requirements on their books. Senator Hernstadt pointed out that many people are unaware a body can be cremated without a casket and, if it is done soon enough, cremation can be done without embalming. He said these items are spelled out in the health codes of the state; but are not general knowledge to most people. He stated there is some competition in the mortuary industry, but most of it is in the pre-need programs where it is possible to negotiate without being under pressure. However, he indicated it is possible to "shop" in terms of the individual items offered on the contract list. Then, if there is an additional service after the contract is signed, an amendment can be made so all the parties are protected. He said this was the reason for the five percent adjustment called for in Senate Bill No. 346.

Senator Hernstadt commented there is a good reason for the lack of complaints the mortuary industry points to as evidence of their good behavior. He said no one likes to talk about being "ripped off" for funeral services for a loved one. It is not something they can take to the Better Business Bureau; and that is why this bill is necessary. With reference to the sample contracts submitted (see Exhibit D), Senator Hernstadt observed they appeared quite detailed. At any rate, if the industry is already using these forms and behaving in an honorable and ethical manner to their customers, the bill should not affect their business practices at all. However, Senator Hernstadt concluded that at least the protection will be on the books if needed; and he strongly supports Senate Bill No. 346 for that reason.

Senator Wilson asked if Senator Hernstadt could furnish a copy of the Federal Trade Commission regulations and Senator Hernstadt replied he would research the material; and make it available for the record. (See Exhibit F.)

Mr. Smith commented Senator Hernstadt's handout did not apply to Nevada; and suggested a funeral might not be the third biggest expenditure in a lifetime as a wedding could be higher.

Mr. Knauss explained there had been some recent developments from the Federal Trade Commission, which have compromised some of their original findings. He said he would submit those with the new language, if the committee so desired.

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Mr. Knauss intimated Senator Hernstadt's material may not be the latest information from the Federal Trade Commission. Mr. Reil suggested that both gentlemen were putting too much faith in the federal bureaucracy.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 346.

SENATE BILL NO. 361--Makes extra charge by practitioner of healing art for filling out insurance form an unethical practice.

Chairman Wilson opened the hearing on Senate Bill No. 361.

Senator Hernstadt stated he introduced this bill because of the widespread practice of doctors of all types to charge for the filling out of patients' insurance forms. He felt the service of processing the insurance forms was a normal cost of doing business and should not be made a separate charge to the patient. Senator Don Ashworth commented this practice does not really penalize the person who pays cash.

Dr. Joe Libke, representing the Nevada State Dental Association, stated they were as opposed to this legislation as they were two years ago. He said the view of the dental profession and most of the other healing professions is that insurance is the patient's responsibility, not the practitioner's. He commented on the diversity of the forms, the time taken in filling them out, etc., as justification for the fee charged. He said the American Dental Association has created a standard form but many insurance companies will not use it.

Senator Raggio commented he had the impression legislation was enacted during the 1979 session which required standardization of insurance forms of all insurance companies doing business in the state of Nevada. Dr. Libke replied he thought it was only attempted. He submitted examples of the different forms used for insurance, and the procedure code the dental staff member must use. (See Exhibit I.) He stated he could not remember whether the legislation referred to by Senator Raggio did pass.

Senator Hernstadt inquired what percentage of dental patients are now covered by dental insurance. Dr. Libke replied within the last ten years the percentage has risen from ten to eighty percent. However, speaking from his experience in his own practice, within the past year, ninety percent of his patients had some form of dental insurance.

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There was a general discussion among the committee members and Dr. Libke as to which types of medical offices were most likely to charge for processing insurance forms. There was agreement that an office which had to hire a person just to perform that function would be more likely to charge a fee for the service. Senator Hernstadt observed that he was not saying the service should not be charged for. His objection was to its being a separate and distinct fee, instead of just being included in the total of a regular bill. He then asked Dr. Libke if practitioners charge the state welfare division for filling out their forms for patients and Dr. Libke replied they did not. He agreed with Senator Hernstadt that, in effect, the private patients were being discriminated against if they were covered by insurance.

Ms. Erma Edwards, representing the Nevada insurance division, informed the committee the division was enabled, by legislation, to prepare a regulation requiring insurance companies to accept uniform claim forms. She said the regulation was developed with the help of all the providers of health care. The regulation is presently in force and does call for the use of the standard American Medical Association, American Hospital Association and American Dental Association standard forms. Since the insurance division does have authority to regulate the insurance companies, they can require the insurance companies to accept the standard forms. Ms. Edwards said this matter came up at the governor's conference on cost containment.

Senator McCorkle inquired why Dr. Libke was not aware of the requirement for use of the standard form, as he apparently had presented more than one type of form (see Exhibit I). Dr. Libke replied he had mentioned the standard form adopted by the American Dental Association. However, what Ms. Edwards was describing was the uniform form allowed by the practitioner, which was attached to the individual insurance company form and sent in. Senator McCorkle wondered why the insurance division does not take the initiative to insist on the standard form. Ms. Edwards answered the regulation already exists and, if there is any evidence to the contrary, or complaints, the division would look into it.

Senator Raggio agreed with Senator McCorkle's statement and indicated the insurance division ought to see to it the standard form is utilized; and should be made a condition of insurance companies doing business in the state. Ms. Edwards agreed with the premise but unless there is a complaint they have no way of knowing.

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Senator Raggio commented they had just received one but Ms. Edwards explained complaints must be in written form to be acted upon.

Dr. Libke remarked that probably 80 percent of all the practitioners of the healing arts in the state of Nevada are unaware of the legislation adopted at the 1979 session of the legislature, in this respect. Therefore, they have gone along doing the same as they have done before. No one has made the effort to file a complaint. He thought one reason for the lack of complaints was that the insurance companies were beginning to standardize their forms.

Senator Hernstadt recommended to Ms. Edwards, since the insurance division undoubtedly has a list of companies permitted to write health insurance in Nevada (probably less than 50), that the division apprise them of the regulation in a letter with a copy of the standard form to be used in this state.

Dr. Libke commented the hearing still was not addressing the point of Senate Bill No. 361 which states it is unethical to charge a minor fee to fill out an insurance form. Dr. Libke said the insurance companies refuse to pay this fee because it cuts down their margin of profit. Senator Hernstadt asked if Dr. Libke was suggesting an amendment to the bill which would require the insurance companies to reimburse the charge, and Dr. Libke said that was one suggestion.

Mr. Rick Pugh, representing the Nevada Medical Association, said the medical association concurred with and supported Dr. Libke's testimony in opposition to the bill. However, he said they also support Senator Hernstadt's motive in trying to find some cost containment for health care and perhaps the committee can come up with a compromise. Mr. Pugh stated most of the medical doctors in the state do not charge a fee for processing insurance forms unless the patient comes in with 4 or 5 at a time. He said he sincerely hopes Senate Bill No. 361 does not pass.

Senator Hernstadt indicated none of the doctors he knew used the standard AMA billing form because all he receives is a cash receipt which is useless for insurance purposes. When Mr. Pugh assured him that the AMA form is mandatory in the state and accepted by all in-state insurers, Senator Hernstadt said he should notify the medical association members via their newsletter, of these facts.

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Senator Hernstadt asked Mr. Pugh if the members of the state medical association charge the county or state welfare divisions for filling out their forms and Mr. Pugh indicated they did not.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 361.

SENATE BILL NO. 365--Removes special exemption for agents of fraternal societies.

Chairman Wilson opened the hearing on Senate Bill No. 365.

Mr. De Armond Sharp, a Reno attorney representing the Independent Order of Foresters, stated it seems that every two years he or some one else from the Foresters comes before the committee on this same subject. He commented it is a matter of legislative and statutory history that the fraternal societies vary as much from each other in their insurance practices as the fraternal segment differs from the regular insurance companies. He indicated this was recognized when the insurance code was redrafted and adopted a number of years ago.

Mr. Sharp commented the portion of the insurance code dealing with fraternal organizations, was the model act which had been approved by the insurance commissioners' organization, as well as the fraternal benefit societies' association. He stated that act originally provided for licensing, but no examination. Between 1975 and 1977, a lot of discussion and research went into the changes which became law in 1977. One of those changes provided that when fraternal insurance agents reached a certain monetary level of sales they must take the insurance agents examination and follow the same regulations as the regular insurance agents do. Mr. Sharp said nothing has occurred since 1977 which argues for or demands a change in the statute as now written and therefore his organization is totally opposed to Senate Bill No. 365.

Mr. Larry Hardy, a member of the legislative committee for the Nevada Association of Underwriters, stated this bill is quite important to their association and the consumers of the state. Due to the revised agenda however, their spokesman, who has critical information to present to the committee before they make their decision on this bill, was unable to attend this hearing. Therefore, Mr. Hardy requested that testimony be delayed or deferred until this information in favor of the bill is available.

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Chairman Wilson indicated there would be a continued hearing and Senate Bill No. 365 will be rescheduled for hearing at a later date.

With no further testimony, Chairman Wilson closed the hearing on Senate Bill No. 365.

BDR 57-1325--Relates to insurance; extending the exemption
(SB 443) from premium taxes to annuities intended to
fund plans of deferred compensation for public
employees.

Chairman Wilson presented BDR 57-1325 for the committee's approval.


Senator Blakemore moved that BDR 57-1325 be introduced.

Senator Don Ashworth seconded the motion.

The motion carried unanimously.

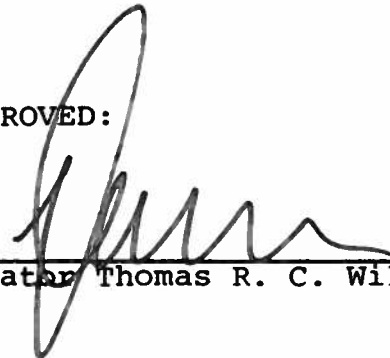
With no further business, the committee adjourned at 4:40 p.m.

Respectfully submitted,



Frances A. Kindred, Committee Secretary

APPROVED:



Senator Thomas R. C. Wilson, Chairman

DATE: _____

EXHIBITS - MEETING OF MARCH 18, 1981

- EXHIBIT A - is the Meeting Agenda.
- EXHIBIT B - is the Attendance Roster.
- EXHIBIT C - is Senator Hernstadt's memorandum in support of Senate Bill No. 329.
- EXHIBIT D - is an example of funeral service purchase agreements submitted by Mr. Knauss.
- EXHIBIT E - is written testimony of Mr. Smith opposing Senate Bill No. 346 in its existing form.
- EXHIBIT F - is a copy of the Federal Trade Commission requirements pertaining to funeral services.
- EXHIBIT G - is written testimony and supportive documents submitted by Mr. Prindiville.
- EXHIBIT H - is Senator Hernstadt's memorandum in support of Senate Bill No. 346.
- EXHIBIT I - is an example of dental insurance forms, dental codes pertaining to Senate Bill No. 361

SENATE AGENDA - REVISED 3/17/81

COMMITTEE MEETINGS .

Committee on Commerce and Labor , Room 213 .

Day Wednesday , Date March 18 , Time 1:30 p.m.

S.B. No. 329--Removes restriction on locations where optometry may be practiced.

S.B. No. 280--Amends provision on eligibility for unemployment compensation after discharge for misconduct.

S.B. No. 346--Requires written estimate of costs at time of funeral arrangements.

S.B. No. 361--Makes extra charge by practioner of healing art for filing out insurance form an unethical practice.

S.B. No. 365--Removes special exemption for agents of fraternal benefit societies.

SENATE COMMITTEE ON

Commerce & Labor

EXHIBIT B

DATE: 3/18/81

PLEASE PRINT	PLEASE PRINT	PLEASE PRINT	PLEASE PRINT
NAME	ORGANIZATION & ADDRESS	TELEPHONE	
F. D. SHARP	IE Liberty (IOE)	786-4646	
Bob Ottavsky	MGM GRAND-RENO	789-2204	
ORVIS E. REIL	NRTA/AARP- Nev. Joint State Legislative Committee	882-1675	
Goverment's name	Capital City Mortuary	882-2644	
KEN KNAUSS	Palm Mortuary Las Vegas NV.	382-1340	
DALLAS BOSSARD	Palm Mort. Henderson, Nev.	564-1888	
Don Maisel	Bunker Mort Las Vegas Nev	385-1441	
K. Lee Smith	NEVADA FUNERAL SERVICE ASSOC. BOX 1545, FALLON, NEVADA	427-2255	
CHUCK KING	CRN TEL	392-5501	
Wayne Reynolds	at view, Reno	329-9231	
N. L. AUMOUSEN	SUMMA	733-0123	
CLINT KNOLL	NEV ASSN of Employers	329-4242	
WALDO LANDIS	GIBBENS Co. - Reno	826-6600	
JOE LIBKE	NEV. STATE DENTAL ASSOC.	825-9023	
W. Kanellos	Nev. Opt. Assoc	866-2477	
Gerald Pindville	AARP + NRTA	883-3455	
David Vlado	CPE SO	457-3366	
Y. K. Wong	ESD	885-4510	
Ed. J. J.	ESD	"	
Bob Sanger	HMR&BU 2086	7868686	
Constantine WALTZ			
L. Hardy	NEV. ASSOC. OF LIFEWD.	323-2273	
Marilyn Chow	Quovada School	272-3261	

Exhibit C

BILL HERNSTADT
SENATOR
CLARK COUNTY DISTRICT 3

HOME: 3111 BEL AIR DRIVE, APT. 25G
LAS VEGAS, NEVADA 89109
732-2100
OFFICE: 401 S. CARSON STREET
CARSON CITY, NEVADA 89710
885-5829
1-800-992-0973



COMMITTEES
VICE CHAIRMAN
TRANSPORTATION
MEMBER
COMMERCE
JUDICIARY

Nevada Legislature

EXHIBIT C

SIXTY-FIRST SESSION

March 18, 1981

MEMORANDUM

TO: Senate Committee on Commerce and Labor
FROM: Senator William Hernstadt
SUBJECT: Senate Bill No. 329

The purpose of S.B. No. 329 is to revise the Nevada Revised Statutes so that optometrists may practice on commercial premises. Currently only opticians are allowed to do so. It is my contention that this provision will benefit the consumer.

First, in Nevada the price of glasses exceeds that which is charged by the surrounding states. - Because there is no commercial practice allowed, there is less opportunity for price competition. Secondly, with transportation costs at such high levels, consumer convenience is a major consideration. Lastly, we might consider the consumer's right to service. Is there really concrete rationale for allowing opticians to dispense in commercial establishments without allowing consumers to be examined by optometrists in such establishments?

It has been brought to my attention that there are those concerned that this legislation will reduce the quality of service to the consumer. Presently 23 states allow optometrists to practice in department stores. In those states there is no evidence to indicate that more complaints are received because of optometrists practicing on commercial premises than those practicing elsewhere.

The intent of this legislation, in my opinion, is to give the consumer a wider variety of options when seeking optometric services. More competition within the profession will result in lower costs for the consumer. This restriction has outlived itself and should be repealed by passage of S.B. No. 329.

SB 346 3/18

Paradise Valley Chapel & Memorial Gardens

6200 South Eastern Avenue • Las Vegas, Nevada 89119 • Phone: 736-6200 - 736-6202 or 736-3223

WORK ORDER

DATE _____

Grave _____ Lot _____

Section _____

Crypt _____ Tier _____

Corr. _____

Niche _____

Date _____ Day _____ Time _____

Liner _____ Vault _____

Flower Vase _____

Mortician _____

Chapel _____

Remarks _____

Permit _____ Record Book _____ Int. Ent. _____ Cremation _____

FUNERAL PURCHASE AGREEMENT

DATE _____ CONTRACT NUMBER _____

PURCHASER _____ TELEPHONE _____

ADDRESS _____

STREET _____ CITY _____ STATE _____ ZIP _____

NAME OF DECEASED _____ SOCIAL SECURITY NO. _____

MORTUARY CHARGES	SALES AMOUNT
Staff and Professional Services	\$ _____
Facilities and Equipment	_____
*Casket # _____	Total _____
Clothing	_____
*Shipping Container	_____
Other _____	_____
Sales Tax _____	_____
Total _____	Total _____
CASH ADVANCED FOR YOU	
Clergy	\$ _____
Organist and/or Soloist	_____
Transportation	_____
Coroner's Fee (If Applicable)	_____
Service Folders	_____
Escort Service	_____
Certified Death Certificate ()	_____
Other Funeral Home Charges: (Name) _____	_____
Telephone/Telegrams	_____
Other _____	_____
Sales Tax _____	_____
TOTAL CASH ADVANCED	Total _____
CEMETERY CHARGES:	
Interment Property Location _____	\$ _____
Endowment Care Fund	_____
Interment	_____
Recording Fees	_____
Cremation	_____
*Urn # _____ Type _____	_____
Lettering	_____
*Liner # _____ Vault # _____	_____
*Flower Vase	_____
*Memorial Marker	_____
Memorial Installation Charge	_____
Nameplate	_____
Other (Describe) _____	_____
SALES TAX	_____
TOTAL PURCHASE PRICE	_____
CREDITS:	
_____	\$ _____
_____	_____
TOTAL DOWN PAYMENT	\$ _____
UNPAID BALANCE OF CASH PRICE	\$ _____
Remarks _____	_____

*The only warranty on the casket, vault or other merchandise sold in connection with the funeral service contemplated herein, is the express written warranty, if any, granted by the manufacturer. Paradise Valley Chapel and Memorial Gardens makes no other warranty, express or implied, with respect to the casket, vault or merchandise.

PROMISSORY NOTE AND SECURITY AGREEMENT
 For value received, I/We the undersigned (hereinafter referred to as the Purchaser(s)), jointly and severally promise to pay to Seller, the Unpaid Balance of the Cash Selling Price of \$ _____

on or before _____ 19____.
 No FINANCE CHARGE will accrue if the unpaid balance is paid in full on or before the aforesaid date. A delinquency charge of 1% equal to an ANNUAL PERCENTAGE RATE OF 12% will be assessed monthly on any unpaid balance after the aforesaid due date. THE FINANCE CHARGE will apply from the date of this agreement.

Purchaser agrees to pay all reasonable costs of collection, including court costs and attorney fees. Purchaser further acknowledges that the filing of a claim against the Estate of the Decedent shall not amount to a waiver of this obligation of the Purchaser or of the Estate of the decedent.

The undersigned, hereinafter referred to as "Purchaser," hereby agrees to purchase the within described interment property, services, commodities and materials, subject to acceptance and approval of Paradise Valley Chapel and Memorial Gardens, hereinafter referred to as "Seller." Purchaser hereby grants to Seller a security interest in the within described interment property, services, commodities and materials.

This is a correct statement of the services and merchandise to be furnished, and the undersigned acknowledges receipt of a true copy of this agreement.

PURCHASER

Signature _____ Relationship _____

Signature _____ Relationship _____

Paradise Valley Chapel and Memorial Gardens

By _____

Remarks _____ 695

NOTICE
 Any holder of this consumer credit contract is subject to all claims and defenses which the debtor could assert against the seller of goods or services obtained pursuant hereto or with the proceeds hereof. Recovery hereunder by the debtor shall not exceed amounts paid by the debtor hereunder.

MARKER ORDER

To _____

Date _____ File No. _____

Marker _____ Size _____

Name Plate _____

Remarks _____

Grave _____ Lot _____

Section _____

Crypt _____ Tier _____

Corr. _____

Niche _____

Approved By _____ Purchaser _____

SB 346 3/18

EXHIBIT D

(1) **PALM SERVICES:**

- Professional Services
- Chapel and Reposing Room
- Facilities, Support Staff, and Equipment..... \$ _____
- Casket as Selected..... _____
- Cremation Charge..... _____
- Mausoleum or Lawn Crypt, Space..... _____
- Property Endowment Care..... _____
- Vault or Sect. Box - Concrete..... _____
- Entombment Fee..... _____
- Floral Vase..... _____
- Marker or Marking..... _____
- Marker Endowment Care..... _____
- Marker Setting Fee..... _____
- Companion Crypt or Space..... _____
- Companion Endowment Care..... _____
- Clothing..... _____
- Urn..... _____
- Limousine(s)..... _____
- Flowers..... _____

TOTAL PALM CHARGES..... \$ _____

(2) **CASH ADVANCES:**

- As a convenience to you we will advance money for these items of expense.....
- Sales tax..... \$ _____
- Cemetery property (including endowment care)..... _____
- Opening and closing the grave..... _____
- Grave receptacle..... _____
- Clergy offering..... _____
- Telephone or telegram..... _____
- Transportation..... _____
- Shipping container..... _____
- Music..... _____
- Certified copies of death certificate..... _____
- Motorcycle escort..... _____
- Out-of-town funeral director..... _____
- Programs or prayer cards..... _____
- Marker setting fees..... _____

TOTAL CASH ADVANCES..... \$ _____

Palm Mortuary

1325 North Main Street 800 South Boulder Highway
 Las Vegas, Nevada 89101 Henderson, Nevada 89015
 Phone 382-1340 MORTUARIES AND Phone 564-1888

MEMORIAL PARKS
 7600 South Eastern Avenue
 Las Vegas, Nevada 89119
 Phone 382-1340

PURCHASE AGREEMENT

_____, 19____

Decedent's Name _____

- (1) Total Palm Charges..... \$ _____
- (2) Total Cash Advances..... \$ _____
- Subtotal..... \$ _____
- Adjustments..... \$ _____
- Pre-Need Credits..... \$ _____
- TOTAL CHARGES**..... \$ _____

TERMS OF PAYMENT: Due in full on or before _____, 19____
 I anticipate making payments as follows:

For value received, I promise to pay in lawful money of the United States of America, to the order of PALM MORTUARY, at its main office, Las Vegas, Nevada, the amount shown above as "total charges" by the due date shown above under "Terms of Payment."

In the event that I fail to pay the amount due by the due date shown above, I further agree to the addition of a **FINANCE CHARGE** to commence beginning on the first day of the first month immediately following the due date, and to be computed on the unpaid balance at the end of each month at the rate of 1½% per month (18% annual percentage rate).

In addition hereto, I promise to pay reasonable attorney's fees and costs incurred in the collection of the note or any part hereof without suit, or in the event of suit, such additional sums as attorney's fees as the court may adjudge reasonable. For the purposes of attachment or levy of execution, this note shall be payable wherever I may be situated, at the option of the holder.

I further acknowledge receipt of a copy of this note as evidence of full disclosure. I also agree that the filing of a claim against the estate of the decedent shall not amount to a waiver of my obligation.

PALM MORTUARY
By _____

SIGNATURE OF PURCHASER _____ ADDRESS _____ PHONE NUMBER _____

SIGNATURE OF CO-PURCHASER _____ ADDRESS _____ PHONE NUMBER _____

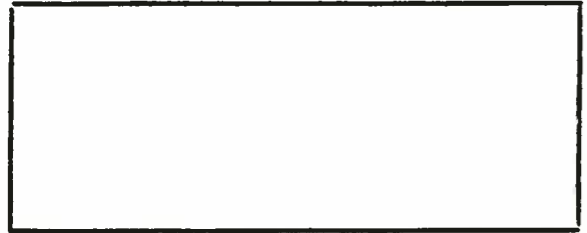
Date _____
 Grave Lot _____
 Section _____
 Crypt Tier _____
 Corr. _____
 Niche _____
 For _____
 Date Day Time _____
 Outer Burial Container _____
 Flower Vase _____
 Mortician _____
 Visitation _____
 Chapel _____
 Remarks _____

Master Card	Purchase Card	Lot Book	Map
Permit	Record Book	Int. Ent.	Cremation

Recorded By _____ Map _____

MEMORIAL ORDER

To _____
 Date File No. _____
 Marker Size _____
 Name Plate _____
 Remarks _____



INTERMENT PROPERTY LOCATION

Approved By _____
 PURCHASER

BUNKERS EDEN VALO, INC.

925 LAS VEGAS BOULEVARD NORTH • LAS VEGAS, NEVADA 89101 • (702) 385-1441

FUNERAL SERVICE PURCHASE AGREEMENT

Date of Death of Decedent _____ Date _____
 The undersigned, hereinafter referred to as "Purchaser(s)," having the proper authority, hereby agree(s) to purchase and authorize the following services and merchandise, subject to the approval and acceptance of the within named funeral home, hereinafter referred to as "Seller," for the funeral service of:
 NAME OF DECEDENT _____ SOCIAL SECURITY NO. _____
 NAME OF PURCHASER _____ SOCIAL SECURITY NO. _____
 ADDRESS _____ TELEPHONE NO. _____
 Street City State Zip

SERVICES
 SERVICES OF FUNERAL DIRECTOR AND STAFF: Including but not limited to: Personnel for handling the initial call, and the arrangements for final disposition. The arrangement and supervision or conduct of the funeral ceremony. The arrangement and supervision of the visitation and other funeral activities. \$ _____
 Securing Permits _____
 Transfer of Remains to Funeral Home _____
 Embalming _____
 Other Preparation of Remains _____
 Directing Services at Location other than Funeral Home _____
 Other Services _____

TOTAL SERVICE CHARGE \$ _____

FACILITIES
 USE OF FACILITIES, BASIC: This charge is for the use of necessary funeral facilities and equipment incident to providing our basic services above. \$ _____
 Use of Facilities for Viewing/Visitation _____
 Use of Facilities for Funeral Ceremony _____
 Use of Preparation Room and Equipment _____
 Other Facilities Charge _____

TOTAL FACILITIES CHARGE \$ _____

MERCHANDISE
 Casket or Alternate Container
 Model Type _____
 Material Interior _____
 Supplier _____
 Outer Burial Container
 Material Model _____
 Supplier _____
 Clothing _____
 Memorial Record _____
 Memorial Folders _____
 Acknowledgement Cards _____
 Other Merchandise _____

TOTAL MERCHANDISE CHARGE \$ _____

MOTOR EQUIPMENT
 Hearse _____
 Limousine(s) @ \$ _____ per Car
 Funeral Car(s) @ \$ _____ per Car
 Flower Car(s) @ \$ _____ per Car
 TOTAL MOTOR EQUIPMENT CHARGE \$ _____

CEMETERY CHARGES
 Interment Property \$ _____
 (Description)
 Endowment Care Fund Deposit _____
 Interment Charge _____
 Recording Fee _____
 Cremation _____
 Lettering _____
 Flower Vase _____
 Memorial Marker _____
 Memorial Marker Installation Charge _____
 Nameplate _____
 Other Cemetery Charges _____

TOTAL CEMETERY CHARGES \$ _____

CASH ADVANCES
 NOTE: CASH ADVANCES MUST BE PAID PRIOR TO THE TIME OF THE FUNERAL SERVICES
 Officiant Honorarium _____
 Organist and/or Soloist _____
 Shipping Charges _____
 Coroners Fee _____
 Other Funeral Directors Charges _____
 Burial Permit Fee _____
 Death Certificates # _____ at \$ _____ each
 Newspaper Notices _____
 Other Cash Advances _____

TOTAL CASH ADVANCES \$ _____

SUMMARY OF TRANSACTION
 TOTAL SERVICE CHARGE \$ _____
 TOTAL FACILITIES CHARGE _____
 TOTAL MERCHANDISE CHARGE _____
 TOTAL MOTOR EQUIPMENT CHARGE _____
 TOTAL CEMETERY CHARGE _____
 TOTAL STATE SALES TAX _____
 TOTAL CASH PRICE \$ _____
 TOTAL CASH ADVANCES _____
 TOTAL CASH PRICE & CASH ADVANCES \$ _____
 CREDITS:
 CASH DOWN PAYMENT \$ _____
 OTHER \$ _____
 TOTAL DOWN PAYMENT \$ _____
 UNPAID BALANCE OF CASH PRICE AND CASH ADVANCES \$ _____

TERMS
 The financial obligation of \$ _____ created by this agreement is due and payable upon or before the completion of the services to be rendered. However, no services charges will be added for a minimum of _____ days, after which a service charge of _____ percent will be charged monthly on any balance past due.
 It is agreed by Purchaser(s) to pay all reasonable costs of collection, including court costs and attorney fees. It is further acknowledged by Purchaser(s) that the filing of a claim against the Estate of the decedent shall not amount to a waiver of this obligation of the Purchaser(s) or the Estate of the decedent. The above is a correct statement of the services and merchandise to be furnished and the undersigned acknowledge(s) receipt of a true copy of this agreement.

NOTICE TO THE PURCHASER
 DO NOT SIGN THIS AGREEMENT BEFORE YOU READ IT OR IF IT CONTAINS ANY BLANK SPACES. YOU ARE ENTITLED TO A COMPLETED COPY OF THIS AGREEMENT.

Signed this _____ of _____ 19 _____
 PURCHASER(S)

Signature _____ Relationship _____

Signature _____ Relationship _____

REMARKS: _____

BUNKERS EDEN VALE, INC.

By _____ Date _____

NOTICE
 ANY HOLDER OF THIS CONSUMER CREDIT CONTRACT IS SUBJECT TO ALL CLAIMS AND DEFENSES WHICH THE DEBTOR COULD ASSERT AGAINST THE SELLER OF GOODS OR SERVICES OBTAINED PURSUANT HERETO OR WITH THE PROCEEDS HEREOF. RECOVERY HEREUNDER BY THE DEBTOR SHALL NOT EXCEED AMOUNTS PAID BY THE DEBTOR HEREUNDER.

TERMS AND CONDITIONS

The Security Agreement on the reverse side hereof is made and accepted subject to the following expressed terms and conditions:

When used in this agreement the term Seller means Bunkers Eden Vale Memorial Park/Memory Gardens.

No right in or to said property shall pass to purchaser until the purchase price, together with the deposit in the Endowment Care Fund, is fully paid and conveyance made as herein provided. The amount of the deposit to be made by purchaser in the Endowment Care Fund for Bunkers Eden Vale Memorial Park/Memory Gardens for the interment property or memorial purchased is shown on the face of this contract. The amount of this deposit is fixed from time to time by the Insurance Commission, State of Nevada. One endowment care fund, into which deposits are made by all purchasers, provides through income for the care and maintenance of all portions of the cemetery. Upon receiving the purchase price with credit service charges, and interest on all deferred payments, together with the deposit in the Endowment Care Fund, Seller agrees to cause to be executed and delivered to purchaser a good and sufficient certificate of interment rights in said cemetery property. The purchaser hereby consents and agrees to the carrying on of such businesses and activities and the sale of such commodities and the sale and performance of such services as are now carried on, sold or performed by Seller or that may be hereafter carried on, sold or performed therein with the consent of Seller. This contract is, and the rights to the property covered hereby are and shall be conveyed to and accepted by the purchaser, subject to all the rules and regulations now existing and/or as the same may hereafter be amended, changed or new rules adopted governing said Bunkers Eden Vale Memorial Park/Memory Gardens, the Mausoleum-Columbarium, the cemetery section or mausoleum-columbarium corridor in which said property is located, the Care Funds, the Crematory, the Mortuary, and/or any and all business conducted in said Eden Vale Memorial Park/Memory Gardens; such rules and regulations being on file and subject to examination in the office of the Seller at Eden Vale Memorial Park/Memory Gardens. Purchaser understands and agrees that the use of each section and/or mausoleum-columbarium terrace in Eden Vale Memorial Park/Memory Gardens has been or, as it is developed or placed on sale, will be limited and restricted in the rules and regulations herein mentioned to the interment of the remains of persons of designated creeds, religious or fraternal organizations, or other groups, while some may be unrestricted. No transfer of the property hereby conveyed may be made to, nor may it be used for the interment of any person not eligible under said regulations. The Seller shall not be liable for any injury or damage to or destruction of the property sold or any part thereof.

It is agreed that the Seller, its licensees and permittees, shall have the right at any time to make, publish, display, sell or otherwise use or dispose of any copies, replicas, photographs, models, casts, tracings, prints, likenesses, or other reproductions of representations in any form, material or size, of any property in Eden Vale Memorial Park/Memory Gardens, including all or any portion of the property herein described or any embellishments thereof or additions thereto, and, if deemed desirable, to accompany the same with explanatory statements.

Seller reserves the right to alter or change the shape, grade, size, color, finish or appearance of the cemetery section or block or mausoleum-columbarium in which the property included in this application is located and to move, change or substitute any embellishments, improvements or structures located therein or any other activity which is incidental or convenient to the care of memorializing the human dead.

Said cemetery property does not possess a monumental privilege, but a memorial tablet conforming to the rules and regulations may be placed on any interment space covered by this contract. Memorial tablets specially designed by the Seller are sold for placement in Eden Vale Memorial Park/Memory Gardens exclusively and may not be removed.

Time is and shall be of the essence of this contract and of each provision thereof. If the purchaser shall fail to pay any one or more installments of principal and/or interest when due, then the whole sum of principal and interest shall become immediately due and payable at the option of the Seller, and in addition to other remedies, the Seller may upon ten days' written notice, either delivered to purchaser personally or deposited in the United States Post Office addressed to the purchaser at his address as shown on the books of the Seller, declare this agreement, or any portion thereof, cancelled and all rights of purchaser in and to the property described herein, or any portion thereof, forfeited and cancelled. The Seller shall, upon such cancellation, be released from all obligations both at law and in equity to convey or cause to be conveyed any rights in this property herein described or any part thereof to purchaser, or to repay to said purchaser any of the money theretofore paid hereunder. The acceptance of overdue payments and/or the waiving of any term, or condition, of this contract by the Seller shall not constitute a waiver of any subsequent payment or the breach of any term, condition or provision hereof. In the event of the employment of an attorney by the Seller on account of any violation of the terms of this contract by the purchaser, a reasonable attorney's fee shall be payable by the purchaser.

Purchaser hereby grants a security interest in said interment property(s), memorial marker(s), and all other commodities included in this agreement.

If credit is allowed in this contract for half or full lot purchase, any cancellation or reduction in the number of spaces will reduce the credit to the amount which would have been allowed, if any, for the number of spaces actually paid for by purchaser.

No interment shall be made in the cemetery property herein described nor any memorial placed thereon until the purchase price and interest is fully paid, except upon written permission of Seller first had in each and every case. Any interment made or which may be made in or memorial placed on said premises before full

payment of the purchase price and interest shall be only temporary, and no rights shall, by reason of said interment or interments, be acquired by purchaser. The Seller reserves the right and is hereby irrevocably authorized, empowered, and granted the right, immediately upon declaration of cancellation for non-payment as above provided, or at any time thereafter, upon ten days' notice deposited in the regular United States mail addressed to purchaser at his last known address as shown upon the books of the Seller, to remove each of the remains then interred in the property described herein to a single interment space or niche in said Memorial Park to be chosen by the Seller, or at its option to cremate said remains; and the purchaser for himself or herself, his or her heirs, executors, administrators, and assigns, hereby expressly consents to the conditions of this paragraph including such removal or cremation, agrees to pay all expenses thereof, and agrees to obtain any and all applications or permits required for such removal or cremation; purchaser hereby ratifying and confirming whatever the Seller may do with respect thereto. The authority hereby granted shall be deemed a right coupled with an interest and irrevocable until the purchase price of said property and interest is paid.

It is expressly understood that acceptance of this agreement shall not preclude the Seller from filing a claim against the estate of said deceased and such claim shall be an additional and cumulative remedy, the filing of which shall not release the purchaser nor prevent the taking of any legal procedure necessary to effect the collection of this obligation.

The purchaser expressly agrees that this agreement shall constitute a preferred claim against the estate of said purchaser for any and all amounts which shall be unpaid hereunder at the time of his or her death; and that all unpaid installments hereunder, with all accrued interest, shall upon the death of said purchaser, or any of them, become immediately due and payable.

The Seller reserves and shall have the right to remove and destroy any and all handles and other metal or glass parts or adornments in or on caskets used for cremation services. The Seller shall not be responsible for and shall have the right to destroy or otherwise dispose of any personal effects, clothing or other articles left in its care or received with the remains of a deceased person which are not called for within 60 days after the mortuary service.

No assignment, either voluntary or involuntary, may be made of this contract, without the consent of the Seller in writing first had and obtained. In the event of either voluntary or involuntary bankruptcy proceedings by or on the part of the purchaser, Seller at its sole option shall have the privilege of returning to purchaser hereunder, all moneys previously paid by purchaser and cancelling the contract in the manner hereinabove provided, or Seller shall have the privilege of applying the money previously paid by purchaser as a credit to the purchase of any property then offered for sale and at the price at which property is being sold and Seller shall thereupon be released from all obligations at law or in equity and from the terms of this contract and may dispose of remains and memorials as herein provided.

The Seller expressly reserves the right at any time it finds itself unable to fulfill this agreement or perform any service or make any interment because of strikes, invasion, insurrection, riot, war, order of any military or civil authority, order of court, or because of any other unforeseen contingency, or misrepresentation or fraud in the procuring of same, or because of any mistake or error in description, location, or availability of property or because the person for whom the service, commodity or property is procured is not eligible for interment in the property herein described, or is an undesirable, criminal or immoral person, or does not qualify under the above rules and regulations, to return to the purchaser all moneys that may have been paid hereunder for the items affected by such and this contract shall as to such affected items thereupon become null and void without further obligation or liability on the part of Seller.

It is agreed by and between the parties that it is impractical and extremely difficult to fix the actual damage, if any, which may proximately result from a breach of this contract or any error or mistake in connection therewith, and that in case of failure of Seller to perform or furnish, or in case of any error or mistake in connection with the services, commodities, or property provided hereunder, or any other breach of this contract and a resulting loss, Seller's liability hereunder shall be limited to and fixed at one hundred dollars as liquidated damages and not as a penalty and this liability shall be exclusive.

If, within thirty days from the date hereof, the purchaser has discharged all the obligations of this contract, including total payment of all the purchase price, no charge will be made for interest.

Seller will positively not resell or attempt to resell for the purchaser any or all of said property herein described.

It is expressly agreed that this Security Agreement and the rules, regulations, conditions, and restrictions above referred to, governing said Eden Vale Memorial Park/Memory Gardens contain and embody all terms and conditions to be performed by the parties hereto and that any promise, representation or agreement not embodied herein or in said rules and regulations is expressly waived, unless reduced to writing and signed by an officer of Seller and attached to this agreement.

It is mutually agreed that the provisions of this Agreement shall apply to and bind the heirs, executors, administrators, successors and assigns of Seller and purchaser, respectively. It is further agreed that when this Agreement is signed by more than one purchaser, each of such purchasers becomes jointly and severally bound and liable hereunder. Should suit be commenced to collect any sum due hereunder, the purchaser promises to pay such sum as the court shall adjudge reasonable as court costs and attorney's fees in such action.

NEVADA FUNERAL SERVICE ASSOCIATION - STATEMENT OF POSITION

THE MEMBERSHIP OF THE NEVADA FUNERAL SERVICE ASSOCIATION IS COMPRISED OF THE MAJORITY OF THE FUNERAL SERVICE FIRMS IN THE STATE OF NEVADA.

The Association is not opposed to the concept of providing itemized statements of charges to our clients at the time the funeral arrangements are made. In fact, it is in our best interest to do so, and the majority, if not all, Nevada Funeral Firms now practice this procedure.

However, the Association opposes the passage of SB 346 on the following grounds:

1. This legislation is un-necessary since the procedure is already common practice.
2. We oppose any kind of regulation of any type of business where a need for such regulation has not been clearly demonstrated. The Nevada State Board of Funeral Directors and Embalmers has never, to our knowledge, received a consumer complaint with respect to inadequate itemization of funeral charges made by a Nevada Firm.
3. The Federal Trade Commission has already published a "Funeral Rule" in the Federal Register and will enact this rule within the next few months. The "Rule" addresses the subject of "itemization" (among other things). There is, therefore, no need for Nevada to enact similar legislation.
4. SB 346 is too vague and general in language to be practical in application or in enforcement. Specifically we refer to: (lines 5 & 6)
 "....., including an itemized list of the price of each item of merchandise and service to be furnished."

Does "merchandise" mean only those tangible items which are re-sold retail to the funeral consumer? Or does it also include all funeral supplies which are used in connection with the furnishing of facilities and professional services --- for which a separate charge is not traditionally or currently made?

What does itemizing "service" mean? Does it mean we should itemize and make a separate charge for every one of the tasks we perform during the course of caring for and preparing the Remains; making funeral arrangements and carrying out those details; and, directing the funeral services themselves? (Should we do this, the itemized list may well be nearly one hundred items in length).

Does it mean we should pro-rata our overhead expenses, and itemize each of those overhead items on the consumers bill?

Just what does SB 346 mean ?

Since it is obvious that the present language of this bill is practically impossible to interpret, and in consideration of the other grounds for opposing this bill, we ask this Honorable Committee to act against further Legislative action on this measure.

SENATE BILL # 346

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may be related or pertinent to the loan assistance referred to in such paragraph. § 257.15 Waivers and Modifications.

The Administrator may upon good cause shown, waive or modify any requirement of this part not required by law, or make any additional requirements he deems necessary.

APPENDIX A—CERTIFICATE

The following is the form of the certificate to be made by each person signing an application:

I, _____, certify that he (Name of Person) or she is the Chief Executive Officer of _____ (Name of Agency) and that he or she has carefully examined all of the statements contained in the application relating to _____ (Name of Agency) and that he or she has knowledge of the matters set forth therein and that all statements made and matters set forth therein are true and correct to the best of his or her knowledge, information and belief.

Subscribed and sworn to before me this _____ day of _____ 1975.

APPENDIX B

By order dated January 21, and supplemental order dated May 23, 1974, (44 FR 76,293, and 76,294) the Commission (Division of the Midwest and Northeast Region) the Commission has included in addition to the jurisdictions specifically named, the following: (1) Idaho in Kentucky in the Louisville, Kentucky, Standard Metropolitan Statistical Area as used in the latest national census; (2) Florida in Missouri in the St. Louis, Missouri, Standard Metropolitan Statistical Area as used in the latest national census; and (3) Wisconsin and Manitowish and the City of Milwaukee, Wisconsin.

This notice is issued under the authority of 48 U.S.C. 1651 et seq.

Issued in Washington, D.C. on August 26, 1975.

ASAH F. HALL, Administrator.

(FTC Docket 23076 Filed 8-28-75; 2:45 am)

CONSUMER PRODUCT SAFETY COMMISSION

[16 CFR Part 1016]

PRIVATE LITIGATION

Policies and Procedures Regarding Information Disclosure and Commission Employee Testimony; Reopening of Comment Period

The purpose of this notice is to reopen until September 10, 1975, the period for receiving comments on the proposed regulations containing Policies and Procedures Regarding Information Disclosure and Commission Employee Testimony in Private Litigation (40 FR 29092, July 10, 1976).

The comment period for the proposed regulation expired on August 11, 1976. The Commission received on August 4, 1975, a request from the Association of

Home Appliance Manufacturers (AHAM) that the comment period be extended until September 10, 1975. This request was supported by the claim that AHAM foresees important effects on its members and needs more time for comment.

In response to the above request, the Commission has decided to reopen the comment period until September 10, 1975. Any comments received in the Office of the Secretary before that date will be considered. Comments received after September 10, 1975 will be considered to the extent practicable. Comments, preferably in five copies, should be addressed to: Office of the Secretary, Consumer Product Safety Commission, Washington, D.C. 20207.

Dated: August 25, 1975.

BARBARA E. DORN,

Secretary,

Consumer Product Safety Commission,
1716 Docket 73077 Filed 8-28-75; 8:45 am

FEDERAL TRADE COMMISSION

[16 CFR Part 453]

FUNERAL INDUSTRY PRACTICES

Trade Regulation Proceeding

Notice of Proceeding, Proposed Trade Regulation Rule, Statement of Reason for Proposed Rule, Invitation to Propose Issues of Fact for Consideration in Public Hearings, and Invitation to Comment on Proposed Rule.

Notices hereby given that the Federal Trade Commission, pursuant to the Federal Trade Commission Act, as amended 15 U.S.C. 41, et seq., the provisions of Part 1, Subpart B of the Commission's procedures and rules of practice, 16 CFR 1.7, et seq., and 653 of Subchapter II, Chapter 5, Title 5 of the U.S. Code (Administrative Procedure), has initiated a proceeding for the promulgation of a Trade Regulation Rule concerning Funeral Industry Practices.

Accordingly, the Commission proposes the following Trade Regulation Rule and to amend subchapter (D), Trade Regulation Rules, Chapter 1 of 16 CFR by adding a new Part 453 as follows:

PART 453—FUNERAL INDUSTRY PRACTICES

- Sec. 453.1 Definitions.
- 453.2 Exploitative practices.
- 453.3 Misrepresentation.
- 453.4 Merchandise and service selection.
- 453.5 Price disclosure.
- 453.6 Interference with the market.
- 453.7 Retention of documents.

Authority: The provision of this Part 453 are issued under 38 Stat. 717, as amended (15 U.S.C. 41, et seq.).

§ 453.1 Definitions.

For the purpose of this part, the following terms and definitions shall apply:

(a) *Federal service industry member.* A "funeral service industry member" is any person, partnership or corporation, or any employee or agent thereof,

engaged in the business of selling or offering for sale directly to the public, funeral services and merchandise; of preparing deceased human bodies for burial, cremation or other final disposition; or of conducting or arranging funerals.

(b) *Funeral services.* "Funeral services" consist of services performed incident to: (1) the care and preparation of deceased human bodies for burial, cremation or other final disposition; (2) the arrangement, supervision or conducting of the funeral ceremony and the final disposition of the deceased including, but not limited to, transporting the remains, securing necessary permits, embalming, arranging for death notices and other funeral-related items.

(c) *Funeral merchandise.* "Funeral merchandise" consists of articles and supplies sold or offered for sale, directly to the public, or used by funeral directors incident to: (1) the care and preparation of deceased human bodies for burial, cremation or other final disposition; (2) the arrangement, supervision or conducting of the funeral ceremony.

(d) *Person, partnership or corporation.* The term "person, partnership or corporation" refers to any party, other than a state, over which the Federal Trade Commission has jurisdiction, and may include in appropriate circumstances, but is not limited to individuals, groups, organizations, trade associations, and professional societies.

(e) *Customer.* A "customer" is any person, association or other entity who purchases, attempts to purchase or seeks information regarding possible future purchase of funeral services and/or merchandise, without intention of resale.

(f) *Immediate cremation.* An "immediate cremation" is a disposition of human remains which includes reduction of the remains by a heating process and which does not involve formal viewing or a prior funeral ceremony with the body present.

(g) *Outer interment receptacle.* An "outer interment receptacle" is any container or enclosure which is placed in the grave around the casket to protect the casket and/or to prevent the collapse of the grave including, but not limited to, receptacles commonly known as burial vaults, grave boxes or grave liners.

(h) *Casket.* A "casket" is a rigid container which is designed for the encasement and burial of human remains and which is usually constructed of wood or metal, ornamented, and lined with fabric.

(i) *Suitable container.* A "suitable container" is any receptacle or enclosure other than a casket which is of sufficient strength to be used to hold and transport human remains including, but not limited to, cardboard, pressed-wood or composition containers and canvas or opaque polyethylene pouches.

(j) *Crematory.* "Crematory" refers to an establishment which reduces human remains by a heating process.

(k) *Defacing.* "Defacing" consists of deliberate efforts to make merchandise

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appear unattractive to customers including but not limited to, displaying broken, soiled or defective merchandise.

(1) Accounting year. "Accounting year" refers to the particular one year period, which may but need not necessarily correspond to the calendar year, utilized by a funeral home in keeping financial records for tax or accounting purposes.

(iii) Adult funeral services. "Adult funeral services" refers to funeral services which are provided, at retail prices, for adults and does not include services provided for infants or small children.

(iv) Standard funeral service package. A "standard funeral service package" is defined to include at least the following: removal of remains to funeral home; preservation, restoration, and dressing of remains; use of funeral home facilities and equipment for viewing and the funeral service; arrangements for ordinary mortuary, church services, burial permits and transcripts of death certification; arranging and care of home use of hearse; arranging for veterans' social security, funeral, labor union, and/or life insurance burial benefits; arranging for pallbearers; other services of funeral director and staff; and casket.

(v) Offered for sale. "Offered for sale" refers to making available for purchase or announcing the availability of merchandise or services for purchase by use of any of the following: media advertising, promotional materials, advertising brochures, handbills or calendars; the display or stocking for sale of merchandise; or expressions, direct or indirect, of a willingness to furnish services and/or merchandise to the public for a retail price.

(vi) Memorial society. A "memorial society" is a non-public membership association which assists members in obtaining and making arrangements for funerals, cremations, or other methods of disposition.

§ 153.2. Explanatory practices.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral services industry member—

(a) Embalming without permission. To furnish embalming, other services or merchandise without having first obtained written or oral permission from a family member or other person authorized by law to make funeral arrangements for the deceased. Provided, That embalming without permission to satisfy requirements of state or local law shall not be considered a violation of this provision.

(b) Pick-up and release of corpses. (1) To obtain custody of a deceased human body without having first received written or oral authorization from a family member or other person authorized by law to make funeral arrangements for the deceased. Provided, That obtaining custody of human remains without authorization from a family member or

other person authorized by law to make funeral arrangements to satisfy requirements of state or local laws shall not be considered a violation of this provision.

(2) To refuse to release a deceased human body to a family member or other person authorized by law to arrange disposition of the body, including any funeral director acting on directions of a family member or other authorized person, when requested to do so, whether or not money is owed for services already rendered. Provided, however, That this provision shall be subject to any state or local laws respecting release or transportation of deceased bodies.

(c) Casket for cremation. With appropriate explanation, (1) or any attempt to require customers who wish to cremate to purchase a casket or to purchase a casket directly or by implication from a casket provider.

(2) To fail to make available to any customer requesting an interest in any undistributed property of a deceased human being a suitable container as defined in paragraph (d).

(d) Trade on cash advances. (1) To charge in excess of the amount advanced, paid or owed to third parties on behalf of customers for any items of service or merchandise described as "cash advances," "prearrangements," or words of similar import in the contract, final bill, or other written evidence of agreement or obligation furnished to customer.

(2) To charge customers more than the amount advanced, paid or owed to third parties on behalf of customers for:

- (i) Cemetery or crematory charges.
- (ii) Pallbearers.
- (iii) Public transportation charges.
- (iv) Flowers.
- (v) Clergy honoraria.
- (vi) Musicians or singers.
- (vii) Nurses.
- (viii) Outside notices.
- (ix) Gratuities.

(3) To fail to pass on to customers the benefit of any rebates, commissions or trade or volume discounts received on any items enumerated in paragraph (d).

(4) To fail to disclose to the customer (the net charges paid by the funeral director) for an item cannot be ascertained at the time of a particular sale, determination of the charges to the customer (the net charges paid by the funeral director) may be based on the adjustments, discounts, or rebate figures for the preceding accounting year.

(5) To misrepresent to a customer in any respect the amount advanced, paid or owed to third parties on behalf of the customer for services or merchandise to be furnished to such customer.

§ 153.3. Misrepresentations.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral services industry member—

(a) Misrepresentation of fact, public health necessity, and religious customs.

(1) To make any statements or claims, written or oral, which expressly or impliedly contradict, mislead or detract from the printed disclosures which are required by paragraph (a)(2) of this section or which are false, misleading or otherwise prohibited regarding (i) the legal necessity for purchasing a casket or soiled or unclean receptacles (ii) public health hazards associated with the failure to utilize containers, a casket, or an outer interment receptacle, or (iii) religious requirements or customs.

(2) To fail to furnish, to each customer who inquires in person about the appropriate purchase and/or price of funeral merchandise or services, the following printed or typewritten statement, in readily legible type:

NAME OF FUNERAL HOME

To avoid purchase decisions based on false claims about legal, public health requirements, the following statements are provided for your information. Please read for a full disclosure of any statement which is included.

(i) Embalming is not required by law in all circumstances. It is not to be performed without authorization from a legally responsible individual except in those instances where it is required by law.

(ii) A casket is not required for a casket that remains in the home of the deceased. The funeral home has available containers suitable for cremation for a _____.

(iii) Purchase of a casket or of a special form of casket, such as a reusable casket, is not required by law except in limited circumstances, but may be required by cemetery rule.

(iv) Outer interment receptacles (burial vaults or grave liners) are not required by law except in limited circumstances, but may be required by cemetery rule.

Upon request your funeral director will provide a brief written or printed explanation of legal requirements, including health regulations, which necessitate the use of any services or merchandise.

(3) To fail to furnish, upon customer request, a brief written, typewritten or printed explanation of legal requirements, including public health regulations, which necessitate the use of any services or merchandise.

(b) Preservative value claims. (1) To claim, directly or by implication, that decomposition or decay of a deceased human body can be prevented by the use or purchase of:

- (i) Embalming; or
- (ii) A casket, unsealed or sealed; or
- (iii) A burial vault or other outer interment receptacle, unsealed or sealed.

(2) To make false, misleading or unsubstantiated claims, directly or by implication, of watertightness or airtightness for caskets or vaults, whether sealed or unsealed.

(3) To misrepresent the preservative or protective utility of caskets, burial vaults or embalming.

§ 153.4. Merchandise and service selection.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting

commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member.

(a) *Display of least expensive caskets.* Whose establishment contains one or more casket selection rooms, to fail to display therein the three least expensive caskets offered for sale for use in adult funeral services, in the same general manner as other caskets are displayed. *Provided*, that if fewer than twelve (12) caskets are displayed, only one of the three least expensive caskets must be displayed.

(b) *Availability of other colored caskets.* To fail to inform customers, by means of a prominently displayed written notice, that displayed caskets can be obtained in other colors or to fail to provide caskets in other colors to customers who so request, *provided*, that such caskets in other colors can be obtained from regular commercial suppliers upon twelve (12) hour notice.

(c) *Interference with customer's selection of offered items.* (1) To represent, directly or indirectly, orally, visually, or in writing, that any funeral merchandise or service is offered for sale when such is not a bona-fide offer to sell said product or service.

(2) To make representations, directly or indirectly, orally, visually, or in writing, purporting to offer any funeral merchandise or service for sale when the purpose of the representation is not to sell the offered merchandise or service but to obtain leads or prospects for the sale of other funeral merchandise and/or service at higher prices.

(3) To discourage the purchase, by customers, of any funeral merchandise or service which is advertised or offered for sale by:

(i) Disparaging the quality, appearance or tastefulness of any such merchandise or service which is advertised or offered for sale;

(ii) Suggesting that such merchandise or service is not readily available or can only be obtained after an appreciable delay, when such is not the case;

(iii) Defacing any merchandise carried for sale;

(4) To use any policy, sales plan, or method of compensation for salespersons which has the effect in any manner, or discouraging salespersons from selling, or has the effect of penalizing salespersons for selling, any funeral merchandise or service which is advertised or offered for sale;

(d) *Disparagement of casket for price.* To suggest, directly or by implication, to any customer in any manner that the customer's expressed concern about prices, inexpensive services or merchandise or an expressed desire to save money by the customer is improper, inappropriate or indicative of a lack of respect or affection for the deceased.

§ 453.5 Price disclosure.

In connection with the sale or offering for sale of funeral services and/or merchandise to the public, in or affecting

commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member.

(a) *Price information over telephone.* To fail to provide by telephone, upon customer request, accurate information regarding the funeral service industry member's retail prices of funeral products and services, including caskets, vaults, basic services and cremation services, if offered.

(b) *Casket price list.* (1) To fail to furnish to each customer, before discussion about caskets offered for sale or the customer's selection of a casket, a printed or typewritten document which lists, in ascending order of price, the prices of all caskets available for purchase without requiring special ordering by the customer, together with sufficient information about each casket to enable the customer to locate and identify a casket among the others on display. The document shall also bear an effective date for prices listed thereon.

(2) To fail to include, on the printed or written list required by paragraph (b) (1) of this section in clearly legible type, the following heading:

CASKET PRICE LISTING (NAME OF FUNERAL HOME)

Listed below, in order, are the prices of the caskets offered by this funeral home together with information to help you locate and identify particular caskets which are displayed. If you are interested in any of the caskets which are included on this list but are not on display, please inquire.

(3) To represent to a customer that a casket on the list is not available, when such is not the case.

(c) *Display of casket prices.* (1) To fail to display prominently in or on the caskets on display the price of such caskets by card, sign or other means.

(2) To fail to display prominently prices on any casket photographs shown to customers and on any caskets shown to customers in display rooms maintained by casket manufacturers or wholesalers.

(d) *Vault disclosure and price list.* (1) To fail to furnish to customers, at the time they are shown or informed as to the availability of outer interment receptacles, before such a customer has made his or her selection, the following printed or typewritten notice:

Some cemeteries require that an outer enclosure be placed around the casket in the grave, while others do not. Where such a requirement exists, it can usually be satisfied by either a burial vault or a grave liner, which is usually less expensive than a burial vault. Outer interment receptacles are often sold by cemeteries as well as by funeral homes. Before selecting any other enclosure you may want to determine any applicable cemetery requirements as well as the offerings of your cemetery and funeral home.

(2) To fail to include on the printed statement required by paragraph (c) (1) of this section, in clearly legible type, the price for each outer interment receptacle available from the funeral home for purchase by the customer, together with a brief description of each enclosure, and

an effective date for the prices specified.

(e) *Price list.* (1) To fail to furnish to each customer who inquires in person about the arrangement, purchase, and/or prices of funeral goods or services, prior to any agreement on such arrangement or selection by the customer or to any customer who by telephone or letter requests written price information, a printed or typewritten price list, which the customer may retain, containing the prices (either the retail charge or the price per hour, mile or other unit of computation) for at least each of the following items:

(i) Transfer of remains to funeral home.

(ii) Embalming.

(iii) Use of facilities for viewing.

(iv) Use of facilities for funeral service.

(v) Casket (a notation that a separate casket price list will be provided before any sales presentation for caskets is made).

(vi) Hearse.

(vii) Limousine.

(viii) Services of funeral director and staff.

(ix) Outer interment receptacles or outer interment receptacles are sold, a notation that a separate outer interment receptacle price list will be provided before any sales presentation for such items is made).

Provided, however, that the list may include total or package prices for any standard adult funeral service package under § 453.4. The items covered by any such single quoted price shall be specified, but need not be separately priced. However, if a customer wishes to decline one or more items, the price shall be reduced by at least the amount of savings accruing to the funeral home from the declination.

(2) To fail to include, on the printed price list specified in paragraph (e) (1) of this section, directly above the price listings, in clearly legible type, the following:

(i) The name, address, and telephone number of the funeral home;

(ii) An effective date for the prices listed thereon;

(iii) The statement "You are free to select only those items of service and merchandise you desire. You will be charged for only those items you select. In some instances, depending on the circumstances of death and/or the type of service you select, additional services or merchandise may become necessary. If you are required to pay for certain services or merchandise you have not selected, because they are required by other factors, an explanation shall be provided in writing by the funeral director on the memorandum of funeral services selected which you will receive."

(f) *Memorandum of funeral service selected.* (1) To fail to furnish to each customer making funeral arrangements, on a written memorandum of the funeral service selected, a list, in at least the following categories, of the services and merchandise selected by the customer together with a price for each item:

PROPOSED RULES

- (v) Embalming.
- (vi) Other transportation of the body.
- (vii) Use of facilities for viewing.
- (viii) Use of facilities for funeral services.
- (ix) Other services of funeral director and staff.
- (x) Contract as vehicle.
- (xi) Other specifically itemized merchandise.
- (xii) Specifically itemized transportation charges.
- (xiii) Specifically itemized charges for cremation services, including:
- (A) Specifically itemized cash advances on cremation.

It is noted, however, that there may be simple prices quoted for each standard adult funeral service package whose price is not to exceed \$1,000.

The specific merchandise included for the package price is specified, and if the listed price reflects appropriate adjustments for the items specified by the customer, as set forth in paragraph (c) of this section.

(2) To fail to include on the written memorandum, required by paragraph (f) (1) of this section, in clearly legible and concise type the following:

(A) The name, address, and telephone number of the funeral home;

(B) The checklist required by paragraph (e) (2) (ii) of this section;

(iii) The statement and acknowledgment of having read and understood the above statements, if made, unless agreed to in advance, by both parties.

(4) The statement "I have read and understood the above statements. I have also received written information regarding the price of caskets and other merchandise and services."

(5) Immediately below the statements required by paragraph (d) (2) (iii) and (5) of this section, the signature of the customer, and the funeral service industry member, or an authorized representative, and the date signed.

§ 453.6. Interference with the work.

In connection with the sale of offering for sale of funeral services and/or merchandise to the public, in or affecting commerce as "commerce" is defined in the Federal Trade Commission Act, it is an unfair or deceptive act or practice for any funeral service industry member:

(a) Offering of merchandise, services, or any person, partnership, or corporation, directly or indirectly, to prohibit, hinder, or restrict, or attempt to prohibit, hinder, or restrict, (1) the offering or advertising of the availability of, low-cost funerals, immediate cremation or other forms of disposition, or arrangements for funeral services in advance of need by any funeral director, personal society, or other person, partnership or corporation;

(2) Contracts or arrangements between memorial societies and any funeral director or other person, partnership or corporation providing services for the disposition of deceased human bodies;

(b) Price advertising. Or any other person, partnership or corporation, di-

rectly or indirectly, to prohibit, hinder, or restrict, or attempt to prohibit, hinder, or restrict, the disclosure of accurate merchandise or services by any funeral home, information regarding funeral director, memorial societies, or other persons, partnerships or corporations offering services for the disposition of deceased human bodies, whether such disclosure is made by means of advertisements in print media or broadcast media, or in any other manner.

(c) *Notwithstanding* any rule, advertisement, or statement, no change, contract, make, or deal to make any disclosure of accurate price information about any funeral merchandise or services by print media, broadcast media, telephone, without addition of in any other way, because of or in connection with any law, regulation, or order of authority of any Federal, State, or local executive, regulatory, or legislative entity, or any other entity or person, partnership, including but not limited to professional associations.

(d) *Notwithstanding* any rule, no fail to display prominently in any advertising or promotional materials in print or broadcast media of funeral merchandise or services, the following notice:

Funeral home prices vary substantially for information on our prices for funeral merchandise and services, call (telephone number).

§ 453.7. Retention of documents.

To assure compliance with the provisions of this part and Federal, State, or local law, and to prevent deceptive practices, it is provided, all funeral homes subject to the provisions of this part shall be required to retain and to make available for inspection by Federal Trade Commission officials, upon request, true and accurate copies of the written disclosure or price lists required by § 453.3 (a) (2) and § 453.5 (b) (1), (d) (1), and (e) (1), and all revisions thereof, for at least three years after the date of their last distribution to customers, and a copy of each selection memorandum signed by a customer, as required by § 453.5 (f) (1), for at least three years from the date on which the memorandum was signed.

STANDARD OF REASON FOR THE PROPOSED RULE

It is the Commission's purpose in issuing this statement to set forth its reason for proposing this rule with sufficient particularity to allow informed comment. The precise format of such statements may vary from rule to rule depending upon the complexity of the issues involved. In this proceeding, we have determined that meaningful comment by the public will be facilitated by presenting (1) a brief statement describing the basic factual and legal premises upon which the Commission has determined to issue the rule, and (2) a series of questions designed to draw to the public's attention matters which the Commission deems particularly pertinent and those upon which comment is especially solicited.

The Commission emphasizes that neither this statement of factual and legal

premises nor the questions should be interpreted as designating disputed issues of material fact. Such designations will be made by the Commission or its duly authorized presiding official pursuant to the Commission's procedures and rules of practice.

STANDARD

The Commission has reason to believe that (a) The funeral transaction has distinctive characteristics which combine to place consumers in a peculiarly vulnerable position. Funeral purchases—one of the largest single consumer expenditures—are made out of necessity, and by grave funeral arrangements typically must be made under extreme time pressures by buyers whose hurried condition may render them unable to protect themselves by careful inquiry or to exercise their normal care and business judgment. Often buyers have almost no knowledge of funeral procedures, local requirements or restrictions, and available choices and costs. At contrast, the funeral director with the business of arranging disposition of the dead for profit, and he is familiar with procedures, legal issues, costs, alternatives, and is skilled at transacting business with buyers who are distraught, disoriented and dependent.

(b) Uninformed buyers are susceptible to and have been subjected to a variety of practices which exploit their disadvantaged position on which interfere with personal selection of funeral merchandise and services. Moreover, these practices frequently involve the creation of false expectations in the funeral purchaser concerning funeral requirements, and choices or misled the customer by misrepresenting and concealing or nature of the funeral merchandise and services purchased. Such practices inhibit obtaining custody of and embalming corpses without permission, refusing to release a decedent's remains upon request of surviving relatives, requiring use of a casket for immediate cremation services, profiting on cash advances, concealing the availability of less expensive caskets or caskets in other colors, and discouraging selection of particular merchandise and services offered for sale. In addition, the consumer's disadvantaged position has been used to trap the personal selection of funeral arrangements by funeral service industry members who have disparaged the buyer's economic concerns.

(c) Sections 451.2 and 453.4 of the proposed rules are necessary to halt and prevent further use of the foregoing practices which are unfair or deceptive within the meaning of Section Five of the Federal Trade Commission Act (15 U.S.C. Section 45) as amended.

The Commission is proceeding upon the theory that the practices prohibited by Sections 451.2 and 453.4 of the Proposed Rule are unfair if they cause substantial harm (i.e., their economic and social utility to the public is substantially less than their economic and social disutility) and they result from the incontestable use of the superior bargaining position of the funeral service industry

remedy relative to that of consumer buyers. In so doing, the Commission is advised that its authority to examine and prohibit unfair practices in or affecting commerce has been extended to the likelihood of an equity claim.

The Commission has further reason to believe that, in many instances, consumers have been injured by misrepresentations concerning the quantity or preservability of merchandise, quality of material, health, safety, public health hazards resulting from failure to use, maintaining, a cabinet or a burner, valve, or other mechanical or electrical component.

(c) The foregoing practices are deemed to be within the meaning of section 5 of the Federal Trade Commission Act (15 U.S.C. 45 as amended). Section 453B of the proposed rule is necessary to prevent the use of such deceptive practices and to avoid consumer decisions which are uninformed or otherwise defective.

The Commission also has reason to believe that: (1) The availability of price information to consumers has been severely restricted. A substantial number of funeral homes refuse to divulge price information by telephone or limit the amount of information obtainable at the funeral home concerning the prices of funeral merchandise and services.

(2) A widespread failure to advertise funeral prices has contributed to the lack of price information. Such failure may be attributable not only to individual reluctance to advertise prices but also to historical institutional opposition to price advertising by industry groups and state regulatory boards and to state laws and regulations which restrict or prohibit funeral price advertising.

(3) The inadequate availability of price data has prevented price competition from operating in the funeral industry, has severely hampered competition of the prices and offerings of different funeral homes by consumers and has deprived consumers of material information which is essential to informed purchase decisions. Unless the Commission undertakes to require certain price disclosures and to remove all varieties of private and public restraints, consumers may continue to receive inadequate price information throughout the United States.

(4) Actions by funeral industry members to inhibit economical funeral offerings, pre-need arrangements, immediate disposition services, or memorial societies disadvantage consumers by restricting their choice of funeral arrangements and may suppress competition in the industry.

(5) Section 453.5's prior disclosure requirements are necessary: (1) to prevent deception regarding funeral price offerings; (2) to remedy the unfair withholding of information essential for informed consumer purchase decisions; and (3) to prevent future use of various unfair and deceptive merchandising techniques which exploit consumers' lack of information.

¹ *F.T.C. v. Sperry Hutchinson Co.*, 406 U.S. 233, 244 (1972).

Saying 453.6 is necessary to cure the unfair merchandising of funeral prices, whether or not due to private or public restraints, and to prevent unfair activities which restrict the funeral choices available to consumers and price competition within the funeral industry.

For the purposes of this trade regulation proceeding, the Commission is proceeding upon the theory that the likelihood of funeral prices is unfair if it creates substantial harm due to deceptive and harmful injury to the public is substantially less than its concrete and actual benefits, and it is unfair, in fact, to deny, basically contrary to their national policy, as articulated by the Federal government, states, and individual consumers, important state policy goals. In light of the foregoing, the Commission has reason to believe that the widespread failure by funeral service industry members to disclose to consumers full and true information for funeral merchandise and services, whether or not due to private or public restraints, is unfair within the meaning of Section 5 of the Federal Trade Commission Act (15 U.S.C. section 45 as amended).

In addition, the Commission has reason to believe that: (a) The retention of documents required by 453.7 of the proposed rule is necessary to facilitate enforcement of the rule and to effectuate its purposes.

(b) The magnitude of the economic and emotional injury inflicted on large numbers of particularly vulnerable consumers by the abuses mentioned and the frequency of their use by funeral directors in different parts of the United States are sufficient to warrant issuance of this proposed rule by the Commission.

The Commission has reason to believe the above statements based on information compiled by Commission staff during a comprehensive industry-wide investigation.

In the course of the investigation the Commission staff has received extensive documentary evidence bearing upon the issue and has consulted numerous experts, industry members and consumers. In addition, the staff has conducted independent surveys and investigational hearings, evaluated consumer complaints, pertinent State statutes and judicial rulings, and examined the findings of various industry studies. The Commission has not adopted any findings or conclusions of the staff. All findings in this proceeding shall be based solely on matter in the rulemaking record.

EFFECT OF RULE ON CONTRARY STATE LAWS

Particularly with respect to §§ 453.2 (c), 453.5 and 453.6 of the proposed rule, it is the Commission's intent in issuing this proposed rule to override contrary state or local law. The rule is an interpretation of the Federal Trade Commission Act (15 U.S.C. section 41, et seq.) and constitutes a declaration of federal law. Under the supremacy clause of the United States Constitution, the rule will

² U.S. Const. art. VI, § 2.

prevail over the supreme law of the land on the matters in question and within the confines of the Commission's jurisdiction, superseding all pertinent state or local laws.

CENTRAL LEGAL AUTHORITY

The Commission's legal authority to promulgate a Federal Industry Practices Trade Regulation Rule derives primarily from Sections 5 and 6 of the Federal Trade Commission Act (15 U.S.C. Section 41 and 42 as amended). Section 5 declares unlawful the use, in or affecting commerce, of unfair or deceptive acts or practices or certain methods of competition. In *FTC v. Sperry & Hutchinson Co.*,¹ the Supreme Court affirmed, in limited terms, the Commission's authority to promulgate such rules which are nonpunitive or declarative, but also prohibitory which are unfair. The Court reaffirmed the Commission's role in evaluating unfairness, to that of a court of equity.

Thus, legislative and judicial authority alike confirms us that the Federal Trade Commission does not exercise executive power to itself. It promulgates a practice against the abusive, but retroactively mandated standard of fairness. It, like a court of equity, considers public values beyond those restricted to the letter of the law as the spirit of the national law.²

The Commission's authority to define particular practices as unfair or deceptive within the meaning of Section 5 of the Federal Trade Commission Act by promulgating rules has been explicitly recognized by case,³ as well as by the statutory authority of Section 18 of the Act, as amended.⁴ Section 18 further affirms the Commission's authority to include, within rules, requirements prescribed for the purpose of preventing future use of unfair or deceptive acts or practices.⁵

QUESTIONS

1. How prevalent are the following funeral industry practices which are addressed by the rule?

- Furnishing embalming or other services without permission.
- Obtaining remains without authorization.
- Refusing to release remains when requested to do so.
- Requiring purchase of aasket for cremation, and refusing to make an inexpensive container available.
- Misrepresenting to customers and overcharging customers on the amounts for cash advance items.
- Misrepresenting legal, public health, or religious requirements.

¹ See, e.g., *Free v. Campbell*, 402 U.S. 437 (1971); *Free v. Grand*, 309 U.S. 603 (1962); *Double-Page Lubricants v. Texas*, 248 F. Supp. 515 (N.D. Tex.), appeal dismissed, 384 U.S. 434 (1966); *Miss. Oil Corp. v. Attorney General*, 280 N.E.2d 406 (Mass. 1972).

² 406 U.S. 233 (1972).

³ See also *F.T.C. v. R. F. Keppel & Bro.*, 201 U.S. 204 (1924).

⁴ 406 U.S. at 244 (footnote omitted).

⁵ See *1947 Petroleum Refiners Ass'n v. F.T.C.*, 483 F. 2d 672 (D.C. Cir. 1973), rev'd 540 F. Supp. 1248 (D.D.C. 1972).

⁶ Pub. L. 93-437, § 202 (Jan. 4, 1975).

⁷ § 18(a) (1) (B).

PROPOSED RULES

Arranging the presentation capability of educational courses or other information materials.

Planning to display interpretive materials, displays and other exhibits in a manner which is calculated to encourage the purchase of certain products.

Arranging for the display of interpretive materials, displays and other exhibits in a manner which is calculated to discourage the purchase of certain products.

Displaying general information, interpretive materials, displays and other exhibits which possibly will mislead the public in its purchase of certain products while providing them for high interest value.

Displaying a consumer's interest in price information.

Refusing to provide price information over the telephone.

Arranging the market selection process so as to require consumers and lead them to purchase over advertised prices.

Displaying products without labels.

Misleading consumers about the necessity for funeral services and failing to disclose the availability of low cost funeral services.

Displaying funeral practices and services and directing to other separate prices on representations or give discounts for defined terms.

Restricting the availability of low cost funerals by need plans, alternative methods of disposition, and memorial society programs.

Limiting the availability of price information through restrictions on radio advertising.

The Commission particularly desires analysis and comment based on specific data and experience.

2. Is it necessary for the Commission to specify a maximum price or formula for the creation contained required by § 453.2(c) to prevent funeral directors from changing excessive prices for such alternative containers?

3. To what extent do existing state and local laws permitting the practices otherwise declared unfair or deceptive by § 453.2(a) and § 453.2(b) of the proposed rule (i.e., embalming without permission, obtaining custody of remains without authorization, refusing to release remains to the deceased's family) protect the public health, safety or welfare or serve other legitimate state interests? Should any of these requirements of state or local law be preempted?

4. Does § 453.3(d) abridge constitutionally protected speech? If so, by what

means can the protective purpose of the provision be attained constitutionally?

5. Are the funeral price disclosure requirements of § 453.3 necessitated by inadequate availability to consumers of price information? If so, is this inadequate availability the result of funeral directors withholding of price information? Would the price disclosures required by § 453.3 help consumers make better-informed purchase decisions?

6. Will mandatory itemization of prices of funeral merchandise and services, as required by § 453.3(e) of the proposed rule, benefit consumers in their selection of funeral merchandise and services? Will the itemized memoranda of funeral merchandise and services selected as required by § 453.3(f) of the proposed rule benefit consumers? If not, what changes should be made? (a) Should the offering of low-cost packages funerals be encouraged? Would itemization preclude the offering of low-cost funerals? Would exempting the least expensive funerals from the itemization requirements of § 453.3 (e) and (f) present such a result? If so, what is a reasonable dollar cut-off point for exempting such funerals from the itemization requirements of § 453.3 (e) and (f)?

7. Are there additional funeral industry practices which should be addressed by this rule?

8. Should the coverage of this rule be expanded to include unfair or deceptive practices used by funeral merchandise manufacturers, casketmakers or other allied industries? What specific practices should be addressed, and in what way are they unfair or deceptive?

9. What will be the impact of the rule on consumers?

10. What costs, economic or otherwise, to funeral homes, especially those which are small businesses, would result from implementation of the proposed rule, and how could such costs be minimized?

11. To what extent do the circumstances of the funeral transaction place the consumer in a more vulnerable position than in other consumer transactions?

12. What other consumer transactions are similar to the funeral transaction? How should the Commission address such transactions?

13. What other consumer transactions are similar to the funeral transaction? How should the Commission address such transactions?

14. What other consumer transactions are similar to the funeral transaction? How should the Commission address such transactions?

INVITATION TO PROPOSE ISSUES OF FACT FOR CONSIDERATION IN PUBLIC HEARINGS

All interested persons are hereby given notice of opportunity to propose any disputed issues of fact. The Commission or its duly authorized presiding official, shall after reviewing submissions hereunder identify any such issues in a Notice which will be published in the Federal Register. Such issues shall be considered in accordance with Section 18(a) of the Federal Trade Commission Act, as amended by Public Law 93-637, and rules promulgated thereunder. Proposals shall be accepted until October 28, 1975, by the Special Assistant Director for Information, Federal Trade Commission, Washington, D.C. 20580. A proposal should be identified as a "Proposed Identifying Issues of Fact—Funeral Industry Practices Issue", and furnished, when feasible and not burdensome, in five copies. The times and places of public hearings will be set forth in a later Notice which will be published in the Federal Register.

INVITATION TO COMMENT ON THE PROPOSED RULE

All interested persons are hereby notified that they may also submit to the Special Assistant Director for Rulemaking, Federal Trade Commission, Washington, D.C. 20580, data, views or arguments on any issue of fact, law or policy which may have some bearing upon the proposed rule. Written comments, other than proposed issues of fact, will be accepted until forty-five days before commencement of public hearings, but at least until October 28, 1975. To assure prompt consideration of a comment, it should be identified as a "Funeral Industry Practices Rule Comment", and furnished, when feasible and not burdensome, in five copies.

Issued: August 29, 1975

By direction of the Commission,

VICTORIA M. HARDING,
Acting Secretary.

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hearings will be published in a subsequent issue of the Federal Register.

Interested persons may participate in this rulemaking by submitting written comments, preferably in triplicate, to the Regional Administrator, EPA, Region II, 26 Federal Plaza, New York, New York 10007. Request of comments will be acknowledged. Comments received will be available for public inspection during normal business hours at the EPA Region II Office, 26 Federal Plaza, New York, New York, Room 907 and at other locations to be announced in Puerto Rico. This notice of proposed rulemaking is issued under the authority of section 110 (c) of the Clean Air Act (42 U.S.C. 3037c-3(c)).

Dated: September 4, 1975.

JOHN QUARLES,
Acting Administrator

It is proposed to amend Part 52 of Chapter I, Title 40, Code of Federal Regulations as follows:

Subpart BBS—Puerto Rico

Section 52.2729 is amended by adding a new paragraph (c) as follows:

§ 52.2729 Control strategy and regulations: Sulfur oxides.

(c) Regulation for control of sulfur compound emissions. (1) On and after the effective date of this paragraph, the maximum allowable sulfur in fuel limitation by weight for burner unit #15 in the Barcilona air basin shall be 0.5 percent.

(2) On and after the effective date of this paragraph, the maximum allowable sulfur in fuel limitation, by weight, for the Central Guanica facility in the Aguada air basin shall be 0.4 percent.

(3) All other provisions of Article 8 of the Puerto Rico Regulation for Control of Atmospheric Pollution shall remain applicable to the sources referred in paragraph (c) (1) and (2) of this section.

[FR Doc. 75-24201 Filed 9-10-75; 8:45 am]

FEDERAL TRADE COMMISSION

[16 CFR Part 453]

FUNERAL INDUSTRY PRACTICES

Trade Regulation Proceeding

Correction

In FR Doc. 75-22962, appearing at page 39901 of the issue of Friday, August 29, 1975, the following changes should be made:

1. In the second column on page 39903, in paragraph (d) (1), the 16th line, the word "other" should be changed to read "outlet".

2. In the second column on page 39904, the fourth and fifth lines should be transposed.

3. In the third column on page 39904, paragraph (b), the eleventh line, the word "the" should be inserted before the word "necessity".

4. On page 39906, in the second line of footnote 7, the word "ring" should be changed to read "ring".

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Parts 231, 239, 240, 241, 249, 259]

[Release Date, 33,500, 34,416, 10-1975
Title No. 2740]

DISCLOSURE OF CORPORATE OWNERSHIP

Rules, Schedules, and Reporting and Registration Forms

The Commission today proposed rules and amendments to its rules, schedules, and reporting and registration forms relating to the disclosure of beneficial ownership for purposes of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (Exchange Act), the proxy rules and certain registration and reporting forms under the Exchange Act, certain registration forms under the Securities Act of 1933 (Securities Act), and Form 139 (17 CFR 239.56) under the Public Utility Holding Company Act of 1935 (Holding Company Act). In addition, proposals would require disclosure in proxy statements and certain reporting forms and registration statements of the 30 largest record holders of any class of voting securities and of the associated underlying voting authority.

The purpose of the proposals is to make more meaningful and, in some cases, to clarify disclosure of beneficial ownership and holders of record of securities of an issuer. The proposed rules and amendments under sections 13 and 14 of the Exchange Act would (1) provide standards for determination of beneficial ownership for purposes of sections 13(d) and 14(d); (2) require more disclosure in Schedule 13D (17 CFR 240.13d-101) about the nature of the beneficial ownership and about other beneficial owners of the securities; (3) require disclosure in Schedule 13D of record holders of the securities reported on; (4) permit filing of one Schedule 13D reporting different owners of the same securities; (5) deem certain persons who become beneficial owners of securities to have acquired such securities for purposes of Section 13(d) (1); (6) provide a short form acquisition notice, Form 13D-3, to be used by certain persons who acquire securities in the ordinary course of their business and not for purposes of control; and (7) provide an exemption from the filing requirements of Section 13(d) (1) for certain underwriters who acquire securities in the ordinary course of a firm commitment underwriting.

The proposed amendments to the various registration and reporting forms requiring disclosure of principal security holders as well as to Schedule 14A, Information Required in Proxy Statement (17 CFR 240.14a-101), would require disclosure, to the extent known by the issuer, of (1) beneficial owners of more than five percent of any class of voting securities and the nature of their own-

ership; (2) the aggregate amount and nature of beneficial ownership by officers and directors of each class of voting securities of the issuer; and (3) the 30 largest holders of record of each class of voting securities (names of persons holding less than 1% of 1 percent of the outstanding securities of the class need not be included, and their voting authority and underlying voting authority, if known). The proposed rule relating to who is a beneficial owner for purposes of section 13(d) is proposed to be adopted as an instruction to the proposed item relating to beneficial ownership in Schedule 13B under the proxy rules, and to Form 139 under the Holding Company Act which requires disclosure of beneficial owners of more than one percent of any class of voting securities.

This release contains a general description of the background, purpose and general effect of the proposals to assist investors in understanding their provisions. A brief synopsis is also included. However, attention is directed to the proposals themselves for a more complete understanding.

BACKGROUND

Since the adoption of sections 13(d) and 14(d) of the Exchange Act in 1958, as amended, requiring disclosure by persons acquiring beneficial ownership of more than five percent of certain classes of securities of an issuer, there have been questions raised about the standards to be applied for determination of beneficial ownership for purposes of the reporting requirements of sections 13(d) and 14(d). The need for improved disclosure in this area has become more apparent recently because of increased public interest in the identity and nationality of any person who has the power to influence or effect changes in the control of corporations.

In the fall of 1974, the Commission conducted hearings concerning beneficial ownership and related matters. Letters of comment from interested persons and written and oral testimony from witnesses at the hearings were received on, among other things, the questions whether the term "beneficial owner" should be defined and, if so, how, and whether there should be additional disclosure by beneficial owners and by companies about principal owners of their securities.

On the basis of the record of the Beneficial Ownership Hearings, Congressional concern with full disclosure in this area and the Commission's experience in administering the existing rules, the Commission is proposing rules intended to make more meaningful and to clarify disclosure concerning beneficial owners of securities of public companies. The Commission is of the view that these proposals, if adopted, would carry out the Congressional purpose for enacting section 13(d). In addition to disclosure about beneficial owners, the Commission is also proposing disclosure of the 30 largest record holders of each class of

See footnotes on pages 42818 and 42817.

PROPOSED RULES

headings will be published in a subsequent issue of the Federal Register.

Interested persons may participate in the rulemaking by submitting written comments, preferably in triplicate, to the Regional Administrator, EPA, Region II, 26 Federal Plaza, New York, New York 10007. Receipt of comments will be acknowledged. Comments received will be available for public inspection during normal business hours at the EPA Region II Office, 26 Federal Plaza, New York, New York, Room 907 and at other locations to be announced in Puerto Rico. This notice of proposed rulemaking is issued under the authority of section 110 of the Clean Air Act, 42 U.S.C. 185f-6(c).

Dated: September 4, 1975.

JOHN QUINLAN, Acting Administrator

It is proposed to amend Part 52 of Chapter I, Title 40 Code of Federal Regulations as follows:

Subpart BBB—Puerto Rico

Section 52.2729 is amended by adding a new paragraph (c) as follows:

§ 52.2729 Control strategy and regulations: Sulfur oxides.

(c) Regulation for control of sulfur compound emissions. (1) On and after the effective date of this paragraph, the maximum allowable sulfur in fuel limitation, by weight, for Pfizer unit #15 in the Barceloneta air basin shall be 0.3 percent.

(2) On and after the effective date of this paragraph, the maximum allowable sulfur in fuel limitation, by weight, for the Central Quincea facility in the Aguada air basin shall be 0.4 percent.

(3) All other provisions of Article 6 of the Puerto Rico Regulation for Control of Atmospheric Pollution shall remain applicable to the sources referenced in paragraph (c) (1) and (2) of this section.

[FR Doc. 75-24001 Filed 9-10-75; 9:45 am]

FEDERAL TRADE COMMISSION

[18 CFR Part 433]

FEDERAL INDUSTRY PRACTICES

Trade Regulation Proceeding

Correction

In FR Doc. 75-22962, appearing at page 39001, of the issue of Friday, August 29, 1975, the following changes should be made:

1. In the second column on page 39003, in paragraph (d) (1), the 16th line, the word "other" should be changed to read "outer".

2. In the second column on page 39004, the fourth and fifth lines should be transposed.

3. In the third column on page 39004, paragraph (b), the eleventh line, the word "the" should be inserted before the word "necessity".

4. On page 39008, in the second line of footnote 7, the word "trier" should be changed to read "trier".

SECURITIES AND EXCHANGE COMMISSION

[17 CFR Parts 239, 240, 241, 249, 259]

[Release: NIA 23-259, 24-240, 25-241, 26-249, 27-259]

DISCLOSURE OF CORPORATE OWNERSHIP

Rules, Schedules, and Reporting and Registration Forms

The Commission today proposed rules and amendments to its rules, schedules, and reporting and registration forms relating to the disclosure of beneficial ownership for purposes of Sections 13(d) and 14(d) of the Securities Exchange Act of 1934 (Exchange Act), the proxy rules and certain registration and reporting forms under the Exchange Act, certain registration forms under the Securities Act of 1933 (Securities Act) and Form DSS (17 CFR 259.5a) under the Public Utility Holding Company Act of 1935 (Holding Company Act). In addition, proposals would require disclosure in proxy statements and certain reporting forms and registration statements of the 30 largest record holders of any class of voting securities and of the associated underlying voting authority.

The purpose of the proposals is to make more meaningful and, in some cases, to clarify, disclosure of beneficial ownership and holders of record of securities of an issuer. The proposed rules and amendments under sections 13 and 14 of the Exchange Act would (1) provide standards for determination of beneficial ownership for purposes of sections 13(d) and 14(d); (2) require more disclosure in Schedule 13D (17 CFR 240.13D-10) about the nature of the beneficial ownership and about other beneficial owners of the securities; (3) require disclosure in Schedule 13D of record holders of the securities reported on; (4) permit filing of one Schedule 13D reporting different owners of the same securities; (5) deem certain persons who become beneficial owners of securities to have acquired such securities for purposes of Section 13(d) (1); (6) provide a short form acquisition notice, Form 13D-5, to be used by certain persons who acquire securities in the ordinary course of their business and not for purposes of control; and (7) provide an exemption from the filing requirements of Section 13(d) (1) for certain underwriters who acquire securities in the ordinary course of a firm commitment underwriting.

The proposed amendments to the various registration and reporting forms requiring disclosure of principal security holders as well as to Schedule 14A, Information Required in Proxy Statement (17 CFR 240.14a-101), would require disclosure to the extent known by the issuer, of (1) beneficial owners of more than five percent of any class of voting securities and the nature of their own-

ership; (2) the aggregate amount and nature of beneficial ownership by officers and directors of each class of voting securities of the issuer; and (3) the 30 largest holders of record of each class of voting securities (names of persons holding less than 1% of 1 percent of the outstanding securities of the class need not be included) and their voting authority and underlying voting authority, if known. The proposed rule relating to who is a beneficial owner for purposes of Section 13(d) is proposed to be adopted as an instruction to the proposed item relating to beneficial ownership to Schedule 13D under the proxy rules, and to Form DSS under the Holding Company Act which requires disclosure of beneficial owners of more than one percent of any class of voting securities.

This release contains a general description of the background, purpose and general effect of the proposals to assist in a better understanding of their provisions. A brief synopsis is also included. However, attention is directed to the proposals themselves for a more complete understanding.

BACKGROUND

Since the adoption of sections 13(d) and 14(d) of the Exchange Act in 1966, as amended, requiring beneficial disclosure by persons acquiring beneficial ownership of more than five percent of certain classes of securities of an issuer, there have been questions raised about the standards to be applied for determination of beneficial ownership for purposes of sections 13(d) and 14(d). The need for improved disclosure in this area has become more apparent recently because of increased public interest in the identity and nationality of any person who has the power to influence or effect changes in the control of corporations.

In the fall of 1974, the Commission conducted hearings concerning beneficial ownership and related matters. Letters of comment from interested persons and written and oral testimony from witnesses at the hearings were received on, among other things, the questions whether the term "beneficial owner" should be defined and, if so, how; and whether there should be additional disclosure by beneficial owners and by companies about principal owners of their securities.

On the basis of the record of the Beneficial Ownership Hearings, Congressional concern with full disclosure in this area and the Commission's experience in administering the existing rules, the Commission is proposing rules intended to make more meaningful and to clarify disclosure concerning beneficial ownership of securities of public companies. The Commission is of the view that these proposals, if adopted, would carry out the Congressional purpose for enacting section 13(d). In addition to disclosure about beneficial owners, the Commission is also proposing disclosure of the 30 largest record holders of each class of

See footnotes on pages 4216 and 4217.

PROPOSED RULES

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Pursuant to 4167 of the Commission's Rules and Regulations, the above notices may, not later than October 20, 1975, request that a hearing be held on the proposed modification. Pursuant to 4167(f), if the hearing is held, it shall be held, unless the Commission determines otherwise, on a date not later than 1975. Each written statement submitted with particularity why the license should not be modified as proposed. In this Order to Show Cause, in this case, the Commission may call on any of the licensees to furnish additional information, designate the matter for hearing, or issue without further proceedings an Order modifying the licensees as provided in the Order to Show Cause. If the right to request a hearing is waived and no written statement is filed by the date referred to above, the licensees will be deemed to consent to modification as proposed in the Order to Show Cause and a final Order will be issued by the Commission. If the changes mentioned above are found to be in the public interest:

10. IT IS DIRECTED that the Secretary of the Commission SHALL SEND a copy of this Order to certified mail, return receipt requested, to the following: (1) Kansas Television Co., Inc., licensee of Station KSTV-TV, Dodge City, Kansas; (2) Cosmos Broadcasting of Oklahoma, Inc., licensee of Station WIST-TV, New Orleans, Louisiana; (3) Mississippi Television Co., Inc., licensee of Station WABO-TV, Greenwood, Mississippi; (4) Mid-America TV Co., licensee of Station KMOG-TV, Sedalia, Missouri; (5) Corinthian Television Co., Inc., licensee of Station KOTM-TV, Tulsa, Oklahoma; (6) Gulf Coast Broadcasting Co., licensee of Station KJUS-TV, Corpus Christi, Texas; (7) Channel 6 Inc., licensee of Station KCRV-TV, Temple, Texas; and (8) KCMC, Inc., licensee of Station KRAL-TV, Texarkana, Texas, the parties to whom the Order to Show Cause is directed.

11. The Commission's authority to institute rule making proceedings, showings, required, and of procedures, and filing requirements set out below and are incorporated by reference hereto.

12. Interested parties may file comments on or before October 29, 1975, and reply comments on or before November 17, 1975.

FEDERAL COMMUNICATIONS COMMISSION, (REAL) NEAL K. McNAUGHTON, Acting Chief, Broadcast Bureau.

APPENDIX IX

1. Pursuant to authority found in sections 4(1), 3(c)(1), 303 (a) and (r), and 307(b) of the Communications Act of 1934, as amended, and 101.231(b) (6) of the Commission's Rules, IT IS PROPOSED TO AMEND the Table of Assignments, 101.231(b) of the Commission's Rules and Regulations, as set forth in the Notice of Proposed Rule Making to which this Appendix is attached.

3. Showings required. Comments are invited on the proposal(s) discussed in the Notice of Proposed Rule Making to which this Appendix is attached. Proposer(s) will be expected to answer whatever questions are presented in initial comments. The proposer

of a proposed amendment is also expected to file comments with it if any comments are in order. It should also make its proposed amendment(s) available for the public to examine, and if available, to hold the station. Failure to do so may lead to denial of the request.

3. Showing procedures. The following procedures will govern the consideration of filings in this proceeding.

(a) Comments. Comments submitted in this proceeding shall be filed on or before the date specified in the notice of proposed rule making. They shall not be considered as a matter of public comment under a majority of Commission Rules.

(b) Written comments. Written comments in this proceeding shall be filed on or before the date specified in the notice of proposed rule making. They shall be considered as comments in this proceeding, and public notice to this effect will be given as soon as they are filed before the date the final rulemaking is completed. It is noted that they will not be considered in connection with the decision in this matter.

4. Comments and reply comments available. Pursuant to applicable regulations set out in 41.161, and 41.162 of the Commission's Rules and Regulations, interested parties may file comments and reply comments on or before the dates set forth in the Notice of Proposed Rule Making when this Appendix is attached. All comments by parties to this proceeding or persons acting on behalf of such parties must be made in written comments, reply comments, or other appropriate pleadings. Comments shall be served on the parties to the proceeding and the person filing the comments. Reply comments shall be served on the parties who filed comments to which the reply is directed, such comments and reply comments shall be accompanied by a certificate of service. (See 1.142 (a), (b) and (c) of the Commission's Rules.)

5. Number of copies. In accordance with the provisions of Section 1.149 of the Commission's Rules and Regulations, an original and fifteen copies of all comments, reply comments, pleadings, briefs, or other documents shall be furnished the Commission.

6. Public inspection of filings. All filings made in this proceeding will be available for examination by interested parties during regular business hours in the Commission's Public Hearing Room at its headquarters, 1915 M Street, N.W., Washington, D.C.

(FIC Doc. 75-24217 Filed 9-11-75, 9:45 am)

FEDERAL TRADE COMMISSION

[16 CFR Part 453]

FUNERAL INDUSTRY PRACTICES

Trade Regulation Proceeding Correction

In FR Doc. 75-22962 appearing at page 39901 in the issue for Friday, August 29, 1975, make the following changes:

1. On page 39905, first column, fifth line, the word which presently reads "analogized" should read "analogized".

2. On page 39906, first column, the penultimate line, the section reference which presently reads "1.453.3(d)" should read "1.453.4(d)".

FEDERAL HOME LOAN BANK BOARD

[12 CFR Parts 561, 563, 564, 569, and 571]

PROPOSED AMENDMENTS RELATING TO CHECKING ACCOUNTS

September 8, 1975.

The Federal Home Loan Bank Board, assisting head of the Federal Savings and Loan Insurance Corporation, announces it is advisable to propose to amend Parts 561, 563, 564, 569, and 571 of the Rules and Regulations for Insurance of Accounts (12 CFR Parts 561, 563, 564, 569, and 571) for the purpose of permitting insured institutions to offer checking accounts which authorized to draw by statute, regulation, or otherwise, and to provide that such accounts are eligible for insurance by the Federal Savings and Loan Insurance Corporation, Federal savings and loan associations, insuredly arranged, authorized to issue checking accounts, and State-chartered savings and loan associations generally are not permitted to issue such accounts. However, State law in Maine and Connecticut will authorize checking accounts to be offered by State savings and loan associations, beginning October 1, 1975, in Maine, and January 1, 1978, in Connecticut.

At present, the Federal Insurance Regulation 1.563j prohibits insured institutions from issuing any demand securities or advertisements or representations that holders of securities will be paid on demand. Present 1.561.3 defines "insured account" in terms of savings accounts, and other regulatory provisions refer only to savings accounts. These restrictions are not required by statute. The National Home Loan Act, as amended (48 Stat. 1255, 12 U.S.C. 1725 et seq.), defines "insured account" as section 401(c) as a "share, certificate, or deposit account" approved by the Corporation and section 403(a) of that Act empowers the Corporation to "insure the accounts" of Federal and State savings and loan institutions.

Therefore, in order that State-chartered insured institutions not be placed at a competitive disadvantage in relation to other thrift institutions in their area, in States which permit thrift institutions to offer checking accounts, the Board proposes to lift its previous restrictions on the issuance of such accounts. It is noted, however, that under the proposal insured institutions would be required under 1.561.1 of the Insurance Regulations to obtain Corporation approval of the form of any such checking account prior to issuance. Furthermore, should such restriction be lifted, the Board intends to closely monitor the effects of checking accounts on the savings and loan industry and would impose operational and reserve restrictions relating to such accounts should they prove necessary.

Accordingly, the Board hereby proposes to amend the Insurance Regulations by adding a new 1.561.1a, and amending 1.561.3, 561.11, 561.15(d), 561.17(a), 561.24, 563.1, 563.6, 563.13(a)

UNITED STATES OF AMERICA
BEFORE FEDERAL TRADE COMMISSION

COMMISSIONERS:

Lewis A. Engman, Chairman
Paul Rand Dixon
Mary Gardiner Jones
David S. Dennison, Jr.
Mayo J. Thompson

RESOLUTION REQUIRING SUBMISSION OF SPECIAL
REPORTS RELATING TO FUNERAL PRICES AND
PRICING POLICIES IN THE DISTRICT OF COLUMBIA
AND DISCLOSURE THEREOF BY THE COMMISSION IN
CONNECTION WITH A PUBLIC INVESTIGATION:

FILE NO. 712-3057: FUNERAL INDUSTRY

I. NEED FOR PRICE INFORMATION

The funeral transaction differs considerably from most business arrangements. It involves a substantial consumer expenditure by large numbers of funeral buyers each year. Funeral arrangements must often be made under extreme time pressures, by persons with little or no knowledge of the area in which they are dealing, and whose bereaved condition may render them unable to exercise their normal care and business judgment. The disorientation and dependency occasioned by grief, the lack of standards for gauging the value of the seller's offerings, the need for an immediate decision, general ignorance of legal requirements and restrictions, the difficulty of retrieving the body once it has been committed to a mortician, and the known availability of governmental benefits and other monies to finance the transaction, may all combine to place the funeral buyer in a disadvantageous position vis-a-vis the seller.

Funeral buyers who must make their purchase decisions under such difficult conditions may often do so without basic information essential for a rational choice of funeral director and particular funeral services. Many consumers may speak to only one funeral director, and thus comparison of the offerings and prices of different funeral directors may be the exception, not the rule. Consumers may thus not know what options are available, or whether any of the components of the package of services and goods offered by

the funeral director can be declined and at what price reduction. Consumers may have only a vague idea of what is covered by the price quoted by the funeral director. And there have been a number of allegations that some funeral directors do not have established prices, but set their prices for each customer according to the amount of insurance, union benefits, or other monies available.

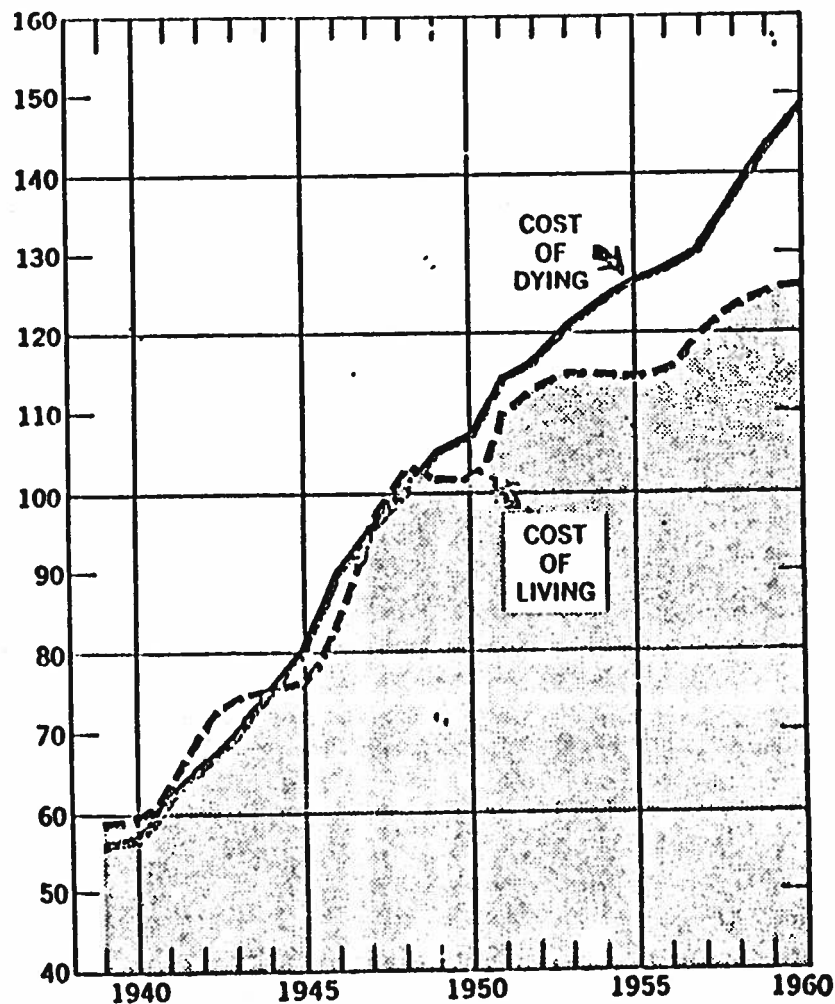
If consumers do not have knowledge about prices and choices, and do not shop comparatively for funerals, and if price information is not readily available in advertising or otherwise, the prerequisites for price competition will be lacking.

In a setting in which price advertising may be inadequate and in which consumers may lack basic information about prices and alternatives, there is a potential for unfair and deceptive pricing and sales practices. Accordingly, the Commission has determined to obtain information about pricing practices and policies, and to insure that consumers receive price information, the Commission will make such information public under such terms and conditions as it may from time to time determine.

The Commission needs the information to better understand competitive conditions, to obtain hard data on funeral costs, and generally to assist it to detect and prevent any violations of Section 5 of the Federal Trade Commission Act (15 U.S.C. §45) which may have occurred or be occurring. By injecting such information into the public sector the Commission can supply a stimulus to price competition which can then operate to hold down costs and eliminate such inefficiencies as may exist.

In view of the importance of the possible competitive and information deficiencies in the funeral industry to consumers and to the Commission, the Commission's statutory responsibilities under Section 5 of the Federal Trade Commission Act with respect to unfair and deceptive acts or practices and unfair methods of competition, compel it to take action to obtain information on funeral pricing policies and to make the information available to consumers. And to insure that such information will be complete, accurate, and promptly supplied, the Commission will obtain it with the aid of the compulsory processes available to it.

FUNERAL COSTS



The figure 100 halfway up the left side of the chart is an index number representing the cost of living and dying in the base period, 1917-49. The broken line shows the rise in the cost of living during the years 1939 to 1960. The solid black line shows the rise of the cost of dying in the same period.

Source: Computed from data of U.S. Departments of Labor, Commerce, and Health, Education and Welfare.

Honorable members of the Commerce and Labor Committee:

Senator Rogers

I am reminded of Evelyn Waugh's book entitled "The Loved One" which was a parody on Forest Lawn, the gigantic funeral home and cemetery in Glendale, California. It seems that the mortician had a love affair with the beautician, and the mortician always sewed the faces of the departed with beautiful smiles, and the beautician always received credit for doing a wonderful job on the Loved One. But one day they had a serious quarrel and a fight. Then the mortician sewed a horrible look on the face of the Loved One, and the beautician couldn't make the face look good. So Forest Lawn canned her.

More seriously, funerals are nothing more than a part of the Ashes to Ashes and Dust to Dust reality which has been going on for centuries. And the words are usually intoned by a cleric of the religion of the deceased person.

In Spain, the cost of all funerals is limited to \$25. And all people are buried in cardboard caskets.

In Peru, the Inca Indians are still buried in a sitting position, wearing their street clothes, without the benefit of a casket. Apparently, this is also characteristic of Arabic countries.

In the United States people are buried in bronze caskets, with lead linings, in concrete vaults, to the tune of \$5000 plus; but it will still be a matter of ashes to ashes and dust to dust.

No doubt, some of you ^{Senators} Assemblymen saw the T V program "60 Minutes" a month ago. According to that program, because of the escalating high prices of funerals, cremations are becoming very popular. And cremations with ashes strewn over the ocean now cost \$200.

The AARP and NRTA ask that you help keep the prices of funerals within reason by requiring written estimates of costs at the time of funeral arrangements

Some Psychological Aspects of the Funeral Transaction

*Columnist Goodman Ace described such an experience in *Saturday Review* magazine in 1970. Called upon to arrange the funeral of a member of the family—his first such experience—he wrote of the sense of alienation he felt in the funeral home seated before the desk of the man in charge, “a man who knew where everything and everybody belonged.” Ace, on the other hand, felt he knew nothing, not even answers to simple questions.

“Now what about flowers?” the undertaker asked.

“We have asked that flowers be omitted,” I replied.

“No, I mean the spray on the casket. Do you want a spray?”

“Well, I guess so.”

“They come in three sizes. There’s the small piece placed in the center, or the three-quarter length, or the blanket of flowers that covers the entire casket.”

“Well, I don’t know. What would you think?”

“May I suggest the three-quarter length?”

I nodded.

He made the entry as he said, “Flowers, seventy-nine dollars. Now, what about music? Something classical?”

“I suppose so.”

“Bach? Beethoven? Mozart?”

“Yes,” I replied, as I felt myself disintegrating.

“Which one?”

“I don’t know,” I said, rising, unreasonably disturbed at my own inadequacy to answer a few simple questions.

As I paced, he remained calm and made a note on the form, and asked the next question.

“Now, what about clothes?”

I sat again in utter bewilderment. This was to be a cremation. What did it matter? I gathered it did from his next remark.

“We can furnish a suit, if you like. Or some prefer a robe or even pajamas.”

He waited for my answer while I sat there thinking, “This too shall pass.” But it didn’t.

“I suggest pajamas,” he offered.

I nodded.

He wrote, as he said, “Pajamas, twelve dollars and sixty cents.” And then he added,

“That includes the sales tax.”

And there you have it—the two irrevocables, death and taxes.

*This point of view was expressed by a successful undertaker in Glen Cove, New York. The undertaker, whose funeral home serves a predominantly Catholic clientele, said he “feels a ‘mission’ to persuade patrons to make the funeral as religious as possible.” “Clients,” he noted, “are not aware enough to know what choices they have. If the funeral director doesn’t do it, it doesn’t get done.”

**One Baltimore undertaker told a reporter writing about funerals in 1977: “There are people who can afford to pay their way but they want to save money. People who can damn well afford it but they just want as much money as they can for the lowest possible nickel. No firm I know of can operate by serving people at a loss.”

The third unusual factor which confronts the buyer is the need to make an on-the-spot decision. Impulse buying, which should, he knows, be avoided in everyday life, is here a built-in necessity. The convenient equivocations of commerce—"I'll look around a little, and let you know," "Maybe, I'll call you in a couple of weeks if I decide to take it," "My partner is going to Detroit next month, he may pick one up for me there"—simply do not apply in this situation. Unlike most purchases, this one cannot be returned in fifteen days and your money refunded in full if not completely satisfied.

Not only is the funeral buyer barred by circumstances from shopping around in a number of establishments; he is also barred by convention and his own feelings from complaining afterwards if he thinks he was overcharged or otherwise shabbily treated. The reputation of the TV repairman, the lawyer, the plumber is public property and their shortcomings are often the subject of dinner party conversation. The reputation of the undertaker is relatively safe in this respect. A friend, knowing I was writing on the subject, reluctantly told me of her experience in arranging the funeral of a brother-in-law. She went to a long-established, "reputable" undertaker. Seeking to save the widow expense, she chose the cheapest redwood casket in the establishment and was quoted a low price. Later, the salesman called her back to say the brother-in-law was too tall to fit into this casket, she would have to take one that cost \$100 more. When my friend objected, the salesman said, "Oh, all right, we'll use the redwood one, but we'll have to cut off his feet." My friend was so shocked and disturbed by the nightmare quality of this conversation that she never mentioned it to anybody for two years.

BILL HERNSTADT
SENATOR
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COMMITTEES
VICE CHAIRMAN
TRANSPORTATION
MEMBER
COMMERCE
INDUSTRY

EXHIBIT H

Nevada Legislature

SIXTY-FIRST SESSION

March 18, 1981

MEMORANDUM

TO: Senate Committee on Commerce and Labor
FROM: Senator William Hernstadt
SUBJECT: Senate Bill No. 346

"Consumer's Last Rights"

For the last two legislative sessions I have been instrumental in the introduction and support of two bills identical to S.B. No. 346. There appears to be a general misconception that this proposed legislation attempts to "regulate" the funeral industry. On the contrary, the purpose in requiring written cost estimates is solely to protect the consumer, who due to stress, shock, or lack of knowledge may be unable to protect himself.

In 1972 the FTC in response to a "compelling need for intervention" began an investigation into the funeral industry. After three years the FTC pointed to the widespread abuses in the industry and proposed a trade regulation rule which would include a provision requiring written estimates of funeral costs. The FTC contends that state itemization laws would break down costs for

MEMORANDUM
PAGE TWO
MARCH 18, 1981

the consumer so as to make cost comparisons easier, as well as to clarify the consumer's right to decline unnecessary services.

In accordance with FTC recommendations, many states have enacted laws requiring written estimates, including California, Florida, Minnesota, New Jersey, and New York; in addition 26 states require written price disclosures.

The FTC survey was presented with other testimony to a hearing before the subcommittee on business, commerce, and taxation of the U.S. House of Representatives. Many of the points brought before the committee, convinced me, as I am sure they will convince my fellow legislators that the time is now to enact this legislation.

A funeral is the third largest purchase a person makes in his lifetime. The industry is unique in that there are many factors involved in the purchase of a funeral that are not common to other types of purchases. The consumer is usually affected by stress, shock, and irrationality which can severely affect their judgement. A lack of time may force survivors to make hasty and costly decisions.

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For the sake of discussion let us compare the purchase of a funeral to that of an automobile; I might also add that a car is the second largest purchase a consumer makes in a lifetime. Is the auto buying consumer grief stricken by the loss of a loved one? Is the auto buyer suffering from shock? Does the auto buyer have to make a decision on what to purchase within 18 to 48 hours? Does the funeral purchaser have the time needed to review and study the comparative products and make cost comparisons? This indicates the need for consumer protection.

There appears to be some problems within the funeral industry itself. First, there is an absence of price competition; and in a noncompetitive market price fixing attempts are more likely to occur. Second, there is an oversupply of funeral establishments. Recent studies indicate that there are as many as ten times the number of establishments necessary to serve the demand.

The mortician may be in a position to retain so much discretion over the ultimate charges that consumers risk paying an inflated amount. This apparent reluctance

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may also make it impossible to obtain a firm price quotation in advance, thus further complicating comparison shopping.

Dangers exist in that a consumer will be quoted one price, in which he believes is all inclusive and then incurs substantial additions. There also tends to be a general unwillingness of funeral directors to reduce charges when a consumer desires less than a "complete" package.

Consumers lack of information about practices, procedures, costs or alternatives may also cause consumers to buy unwanted services. First, many misconceptions exist about the legal requirements of a funeral. Specifically with reference to embalming, the purchase of a casket for cremation, and the purchase of a vault.

Although inexpensive funerals are available they are infrequently obtained for a number of reasons. Namely, there is a general distaste for the "appearance" of least costly items, and the mortician, as a salesman may lead consumers to purchase more expensive merchandise. Furthermore, because of their bereavement, consumers lack

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the motivation to reduce costs, and may be prone to overspending.

In my opinion this proposed legislation failed to become a law in two previous sessions because there was a lack of testimony from consumers who suffered some of the conditions I have described above. Is it no wonder that after bearing the hardships that occur with the death of a loved one, the individual may not want to openly complain to the consumer affairs division about how they provided for the departure of a loved one? In conclusion I would like to encourage you to aid in the swift passage of S.B. No. 346.

Library Note:

Due to the presence of personal identifying information, parts of this document have been masked in order to maintain this record in a confidential manner as required by *Nevada Revised Statutes 239B.030 (5)*. The complete original document is on file with the State Library and Archives.

Research Library
November 2012

Harrah's

CLAIM FOR DENTAL EXPENSE BENEFITS

The Prudential Insurance Company
 Woodside Claim Office
 Post Office Box 5806
 San Mateo, California 94402

Exhibit I

SB 361
 3/18

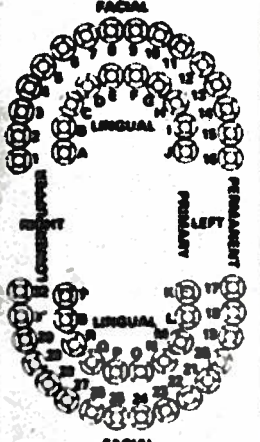
EXHIBIT I

TO BE COMPLETED BY PATIENT

11 GROUP NUMBER 94310	12 BRANCH 03	13 PATIENT COVERED BY ANOTHER DENTAL PLAN? NO <input checked="" type="checkbox"/> YES <input type="checkbox"/> If yes, give		15b I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS CORRECT. PATIENT'S SIGNATURE (PARENT IF A MINOR) <u>[Signature]</u> DATE <u>1-13-81</u>		EMPLOYEE'S SIGNATURE <u>[Signature]</u> DATE <u>1-13-81</u>	
14 I HAVE REVIEWED THE FOLLOWING TREATMENT PLAN I AUTHORIZE RELEASE OF ANY INFORMATION RELATING TO THIS CLAIM <u>[Signature]</u>				15a I HEREBY CERTIFY THAT THE ABOVE INFORMATION IS CORRECT.			
16 DENTIST NAME FIRST Joseph MIDDLE . LAST ibr D.D.S., L.D.			24 IS TREATMENT RESULT OF OCCUPATIONAL ILLNESS OR INJURY? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/>		IF YES, ENTER BRIEF DESCRIPTION AND DATES		JULIAN DATE
17 MAILING ADDRESS 1101 W. Moana Lane, S			25 IS TREATMENT RESULT OF AUTO ACCIDENT? <input checked="" type="checkbox"/>				
CITY, STATE Reno, Nevada			26 OTHER ACCIDENT? <input checked="" type="checkbox"/>				
18 DENTIST SOC. SEC. OR TIN			19 DENTIST LICENSE NO. 325-7		20 DENTIST PHONE NO. 825-9023		SEC. NO.
21 FIRST VISIT DATE CURRENT SERIES 9/12/80			22 RADIOGRAPHS OR MODELS ENCLOSED? NO <input type="checkbox"/> YES <input checked="" type="checkbox"/>		23 IS TREATMENT FOR ORTHODONTICS? <input checked="" type="checkbox"/>		

TO BE COMPLETED BY DENTIST

31 EXAMINATION AND TREATMENT PLAN - LIST IN ORDER FROM TOOTH NO. 1 THROUGH TOOTH NO. 32 USE CHARTING SYSTEM SHOWN		ADMINISTRATIVE USE ONLY					
TOOTH NO. OR L/R	SURFACE	DESCRIPTION OF SERVICES (Including X-Rays, Prophylaxis, Materials Used, etc.)	Date Service Performed (Mo/Day/Yr)	Procedure Number	FEE	BASIC	MAJOR
all	all	Examination, Initial	9/12/80	0110	12 -		
all	all	B ew G -Rays	9/12/80	0272	6 -		
all	all	Pa re.	9/12/80	0330	10 -		
t	MO	g	1/13/81	2120	23 -		
s		Stainless steel crown	1/13/81	2830	40 -		
k	MO	m	1/19/81	2120	23 -		
l	DO	Amalgam	1/19/81	2120	23 -		
j	MO	Amalgam	1/26/81	2120	23 -		
i	DO	Amalgam	1/26/81	2120	23 -		
b		Stainless steel crown	1/29/81	2830	40 -		
all	all	Prophylaxis	1/29/81	1120	14 -		
all	all	F o d	1/29/81	1220	6 -		
		Administration	2/3/81	9999	5 -		
TOTAL FEE CHARGED 218							



ASSIGNMENT OF BENEFITS I HEREBY ASSIGN BENEFITS PAYABLE TO THE ATTENDING DENTIST		TOTAL FEE CHARGED 218 Deductible	
EMPLOYER'S SIGNATURE _____ DATE _____		TO BE COMPLETED BY DENTIST	
I HEREBY CERTIFY THAT THE SERVICES LISTED ABOVE HAVE BEEN PERFORMED ON THE ABOVE NAMED PATIENT ON THE DATES INDICATED.		DENTIST'S SIGNATURE <u>Joseph B. Biele D.D.S.</u> DATE <u>2/3/81</u>	
EXAMINER _____ TRANSACTION # _____ CHECK DATE _____		These benefits will, subject to the Plan provisions, be payable if the described procedures are performed during a period of the patient's eligibility.	

ME STUDENT
 DISEASE
 LESS
 NAME OF EMPLOYER IN ITEM 13
 THE BELOW NAMED DENTIST OF THE GROUP
 NAME
 DATE 12-81

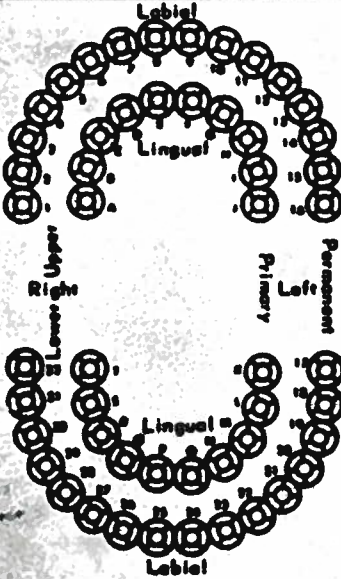
16. DENTIST NAME: **J. Michael Libke D.D.S.**
 17. MAILING ADDRESS: **1101 W. Moana Lane, Suite 2**
 CITY, STATE, ZIP: **Reno, Nevada 89509**
 18. DENTIST (SOC. SEC. OR T.I.N.):
 19. DENTIST LIC. NO.: **825-9023**
 20. DENTIST PHONE NO.:
 24. IS TREATMENT RESULT OF OCCUPATIONAL ILLNESS OR INJURY? **X**
 25. IS TREATMENT RESULT OF AUTO ACCIDENT? **X**
 26. OTHER ACCIDENT? **X**
 27. ARE ANY SERVICES COVERED BY ANOTHER PLAN? **X**
 28. IF PROSTHETIC, IS THIS INITIAL PLACEMENT? **X**
 29. DATE OF PRIOR PLACEMENT: **1970**
 (IF NO. REASON FOR REPLACEMENT)
failing/unesthetic
 30. IS TREATMENT FOR ORTHODONTICS? **X**
 31. FIRST VISIT DATE: **11/18/80**
 32. PLACE OF TREATMENT: **X**
 29. RADIOGRAPHS OR MODELS ENCLOSED? **X**
 30. IS TREATMENT FOR ORTHODONTICS? **X**
 IF SERVICES ALREADY COMMENCED, ENTER DATE APPLIANCES PLACED AND MOD. TREATMENT REMAINING*

TOOTH NO. SURFACE	DESCRIPTION OF SERVICE (INCLUDING X-RAYS, PROPHYLAXIS, MATERIALS USED, ETC.) LINE NO.	DATE SERVICE PERFORMED		PROCEDURE NUMBER	FEE	FOR ADMINISTRATIVE USE ONLY
		MO	DA YEAR			
4	Pontic Porcelain w/metal			6242	260	
7	Pontic Porcelain w/metal			6242	260	
8	Pontic Porcelain w/metal			6242	260	
9	Pontic Porcelain w/met 1			6242	260	
10	Pontic Porcelain w/net 1 (#3 thru #12 is fixed bridge)			6242	260	
14	Porcelain w/metal crown			2752	260	
20	Amalgam			2140	20	
15	Amalgam Administration	2	1981	2140	20	
				9999	5	

I HEREBY CERTIFY THAT THE PROCEDURES AS INDICATED BY DATE HAVE BEEN COMPLETED.
J. Michael Libke, DDS. DATE **12/17/80**
 TOTAL FEE CHARGED **4,640**
 MAX ALLOWABLE
 DEDUCTIBLE
 CARRIER'S
 CARRIER PAYS
 PATIENT PAYS

361
3/18

Joseph B. Libke D.D.S., Ltd.		Date Patient First Visit (Current Series) 1-12-81	
License No. 325-7	Is Patient Covered By Other Plan? (Name Other Plan)		Yes No
Dentist Mailing Address 1101 W. Moana Ln., #2	Is Any of Treatment For Orthodontic Purposes?		X
Phone No. 825-9023	Treatment Result of Accident?		X
City Reno, Nevada	Result of Occupational Injury?		X
State Nevada	Are X-rays Enclosed? (If Yes, How Many)		
Zip Code 89509	Date of Prior Placement		
If Prosthesis, Is This Initial Placement?	Yes	No (If No, Reason for Replacement)	



Examination and Treatment Record - List in Order From Tooth No. 1 Through Tooth No. 32.							Do Not Use This Column
Tooth # or Letter	Surfaces	Description Of Service (Including X-rays, Prophylaxis Materials Used, Etc.)	Date Service Performed Mo. Day Yr.	Procedure Number	Fee		
all	all	Examination, Initial	1 8 81	0110	12.00		
	all	Bitewing X-rays	1 8 81	0272	6.00		
all	all	Panorex	1 8 81	0330	10.00		
19	MO	Amalgam	1 12 81	2150	25.00		
k		Pulpotomy	1 12 81	3220	10.00		
k		Stainless steel crown	1 12 81	2830	40.00		
1		Extraction	1 12 81	7110	12.00		
3	MOL	Amalgam	1 15 81	2160	32.00		
b		Stainless steel crown	1 15 81	2830	40.00		
30	MO	Amalgam	1 15 81	2150	25.00		
a		Extraction	1 15 81	7120	12.00		
14	MOL	Amalgam	1 19 81	2160	32.00		
all	all	Prophylaxis	1 19 81	1120	14.00		
all	all	Fluoride Administration	1 20 81	9999	5.00		

INDICATE MISSING TEETH WITH AN 'X'

Remarks for Unusual Services

ORTHODONTICS (give diagnosis, class of malocclusion and describe appliance(s) in above treatment section)	Total Fee Actually Charged
Date First Appliance Inserted _____	281.00
Date Last Appliance Removed _____	
Treatment Period (Number months) _____	
Total Fee \$ _____	

I hereby accept the foregoing treatment plan and authorize release of any information relating to this claim.

PATIENT'S SIGNATURE _____ (Or employee, if patient is a minor)

I hereby certify that the services listed above will be or have been performed.

DENTIST SIGNATURE _____ DATE 1/20/81

I hereby authorize payment directly to the above-named dentist of the group insurance benefits otherwise payable to me, but not to exceed the charges shown above. I understand that I am financially responsible for any charges not covered by this authorization.

PATIENT'S SIGNATURE _____ DATE _____ (Or employee, if patient is a minor)

Approved by the Council on Dental Care Programs of the American Dental Association July 1967

A.D.S. INSTRUCTIONS

DOCTOR: Your description in as much detail as possible will be helpful. Please return completed form to EMPLOYER for transmission to our office.

DOCTOR'S TAX ACCOUNT NO. _____ INDIVIDUAL PRACTITIONERS SOCIAL SECURITY NO.

ALL OTHERS - EMPLOYER IDENTIFICATION NO. 51 | 6067014

MUST be furnished under Authority of Law.

CHECK ONE:

- DENTIST'S PRE TREATMENT ESTIMATE
 - DENTIST'S STATEMENT OF ACTUAL SERVICES
- PLEASE DO NOT SEND X-RAYS UNLESS REQUESTED BY SIERRA PACIFIC.



Sierra Pacific Industries
 HEALTH BENEFITS
 P.O. DRAWER Y
 ARCATA, CALIFORNIA 95521
 PHONE (707) 443-8001

9. IS PATIENT COVERED BY ANOTHER DENTAL PLAN?
 YES NO

10. DENTIST'S NAME
Joseph B. Libke D.D.S., Ltd.

12. IS TREATMENT RESULT OF OCCUPATIONAL ILLNESS OR INJURY? NO YES IF YES, DATE, BRIEF DESCRIPTION AND DATES
 X

11. MAILING ADDRESS
1101 W. Moana Lane, Suite 2

13. IS TREATMENT RESULT OF AUTO ACCIDENT? X

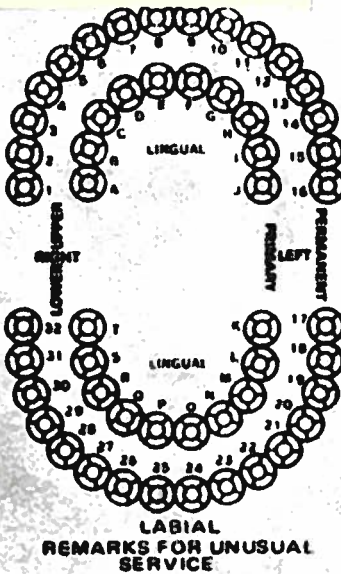
CITY, STATE, ZIP
Reno, Nevada 89509

14. OTHER ACCIDENT? X

16. Dentist's Soc. Sec. or T.I.N. 17. Dentist's Lic. No. 18. Dentist's Ph. No.
325-7 825-9023

19. IS TREATMENT FOR ORTHODONTICS? X

20. IF PROSTHEDIC, THIS ITEM MUST BE COMPLETED



TOOTH # OR LETTER	Surfaces	DESCRIPTION OF SERVICE (Including X Rays, Prophylaxis, Materials used, Etc.)	PROCEDURE NUMBER	DATE SERVICE PERFORMED			FEE
				MO	DAY	YEAR	
all	all	Examination	0120	12	8	80	7 -
	all	Bitewing x-rays	0272	12	8	80	6 -
j		Extraction	7110	12	8	80	12 -
19	0	Amalgam	2140	1	5	81	20 -
30	0	Amalgam	2140	1	5	81	20 -
all	all	Prophylaxis	1120	1	5	81	14 -
all	all	Fluoride Administration	1220	1	5	81	6 -
			9999	1	17	81	5 -

BENEFITS ARE PAYABLE BY SIERRA PACIFIC PROVIDED CONTINUOUS ELIGIBILITY IS MAINTAINED BY THIS PATIENT. ELIGIBILITY IS DETERMINED BY DATE OF SERVICE AND NOT BY TREATMENT PLAN. BENEFITS ARE PAYABLE DIRECTLY TO DENTIST UNLESS A SIGNED, DATED RECEIPT IS ATTACHED TO THIS CLAIM. IF PATIENT HAS DENTAL COVERAGE PROVIDED BY ANOTHER GROUP INSURANCE PLAN, PAYMENT IS SUBJECT TO COORDINATION BETWEEN THE PLANS.

TOTAL FEE	90.00
Sierra Pacific Will Pay %	
PATIENT PAYS	
Max. Payable Per Calendar Year	

I HEREBY CERTIFY THAT THE PROCEDURES AS INDICATED HAVE BEEN COMPLETED.

SIGNED (DENTIST) _____ DATE 2/17/81

SERVICES MUST BE BILLED WITHIN SIX MONTHS FROM DATE OF SERVICE.

DENTIST

SB 361

3/18

Following is a list of dental services... is provided to assist the Dentist in entering the treatment plan on the claim form, not as a description of the patient's insurance plan. Procedures not listed below should be reported in terms of the American Dental Association uniform code or by a narrative description.

ADA Uniform Code on Dental Procedures & Nomenclature

- 00100-00999 I Diagnostic
00100 Clinical Oral Examination
00110 Initial oral examination
00120 Periodic oral examination
00130 Emergency oral examination
00200 Radiographs
00210 Intraoral-composite (including bitewings)
00220 Intraoral-single, first film
00230 Intraoral-each additional film
00240 Intraoral-occlusal, single, first film
00300 Other radiographs
00400 Tests and Laboratory Examinations
00440 Biopsy and examinations of oral tissue (hard or soft)
00460 Pulp Vitality Test
00470 Diagnostic Casts
00490 Miscellaneous tests and laboratory examinations
01000-01999 II Preventive
01100 Dental Prophylaxis
01110 Adults
01120 Children
01200 Fluoride Treatments
01210 Topical application of sodium fluoride, four treatments (excluding prophylaxis)
01220 Topical application of stannous fluoride, one treatment (excluding prophylaxis)
01230 Topical application of acid fluoride phosphates, one treatment (excluding prophylaxis)
01500 Space Maintainers
11510 Fixed, unilateral band type
11530 Removable, acrylic
02000-02999 III Restorative
Diagnostic Procedures - see Section I
02100 Amalgam Restorations
02110 Amalgam-one surface, deciduous
02120 Amalgam-two surfaces, deciduous
02130 Amalgam-three surfaces, deciduous
02131 Amalgam-four surfaces, deciduous
02140 Amalgam-one surface, permanent
02150 Amalgam-two surfaces, permanent
02160 Amalgam-three surfaces, permanent
02161 Amalgam-four or more surfaces, permanent
02170 Amalgam-pin retained
02200 Acrylic or Plastic Restorations
02210 Acrylic or plastic
02211 Acrylic or plastic-pin retained
02220 Acrylic or plastic (involving incisal angle)
02500 Gold Inlay Restorations
02510 Inlay, gold-one surface
02520 Inlay, gold-two surfaces
02530 Inlay, gold-three surfaces
02540 Onlay, per tooth (in addition to above)
02700-02899 Crowns-Single Restorations Only
02710 Plastic (acrylic)
02711 Plastic-prefabricated
02720 Plastic with metal
02740 Porcelain
02750 Porcelain with metal
02760 Gold (full cast)
02810 Gold (1/2 cast)
02820 Gold thumbie
02830 Stainless steel
02840 Temporary (fractured tooth)
02890 Crown with pin
02891 Gold Post
02900 Other Restorative Services
02910 Recement inlays
02920 Recement crowns
02940 Fillings (sedative)
03000-03999 IV Endodontics
Diagnostic Procedures-see Section I
Pulp Capping
03110 Pulp cap-direct-(excluding final restoration)
03120 Pulp cap-indirect (excluding final restoration)
03130 Recalcification (CaOH, temporary restoration per tooth)
03300 Root Canal Therapy (includes treatment plan, clinical procedures and follow up)
03310 One canal (excludes final restoration)
03320 Two canals (excludes final restoration)
03330 Three canals (excludes final restoration)
03400 Periapical Services
03410 Apicoectomy, performed as separate surgical procedure
03420 Apicoectomy performed in conjunction with endodontic manipulation
03430 Retrograde filling
03900 Other Endodontic Procedures
03920 Hemisection
V Periodontics-Non Surgical
CASE PATTERN SECTION
(Includes all necessary diagnostic, surgical and adjunctive services)
04500 TYPE I-Gingivitis-shallow pockets no bone loss
04600 TYPE II-Early Periodontitis-moderate pockets, minor to moderate bone loss satisfactory topography
04700 TYPE III-Moderate Periodontitis-moderate to deep pockets moderate to severe bone loss, unsatisfactory topography
04800 TYPE IV-Advanced Periodontitis-deep pockets severe bone loss advanced mobility patterns (usually cases involving missing teeth and reconstruction)
04900 Other Periodontic Services
04910 Preventive periodontal procedures (periodontal prophylaxis)
05000-05999 VI Prosthodontics Removable
05100 Complete Dentures-includes six months postdelivery care
05110 Complete upper
05120 Complete lower
05200 Partial Dentures-including six months postdelivery care
05210 Upper or lower without clasps acrylic base
05220 Upper or lower with two gold or chrome clasps with rests acrylic base
05230 Lower with gold or chrome lingual bar and two clasps acrylic base
05240 Lower with gold or chrome lingual bar and two clasps cast base
05250 Upper with gold or chrome palatal bar and two clasps acrylic base
05260 Upper with gold chrome palatal bar and two clasps cast base
05280 Removable unilateral partial denture one piece casting gold or chrome cobalt clasp attachments per unit including pontics
05300 Additional Units for Partial Dentures
05310 Each additional clasp with rest
05320 Each additional tooth
05600 Repairs to Dentures
05610 Repair broken complete or partial denture no teeth damaged
05620 Repair broken complete or partial denture and replace one broken tooth
05630 Replace additional teeth each tooth
05640 Replace broken tooth or denture no other repairs
05650 Adding tooth to partial denture to replace extracted tooth each tooth (not involving clasp or abutment tooth)
05660 Adding tooth to partial denture to replace extracted tooth each tooth (involving clasp abutment tooth)
06000-06999 VII Prosthodontics Fixed
Fixed Bridges (each abutment and each pontic constitutes a unit in a bridge)
06200 Bridge Pontics
06210 Cast gold
06220 Slotted facing
06230 Slotted pontic
06235 Pin facing
06240 Porcelain fused-to-metal
06250 Plastic-processed-to-metal
06500 Retainers
06520 Gold inlay two surfaces
06530 Gold inlay three or more surfaces
06540 Gold onlay
06600 Repairs
06610 Replace broken pin facing with slotted or other facing
06640 Replace broken facing with acrylic
06650 Replace broken Tru-Pontic
06700 Crowns
06710 Plastic Acrylic
06720 Plastic - processed-to-metal
06740 Porcelain
06750 Porcelain - fused-to-metal
06760 Reverse Pin Facing and Metal
06780 Gold (1/2 cast)
06790 Gold (Full cast)
06900 Other Prosthetic Services
06910 Recement bridge
06950 Precision attachment
06960 Dowel pin, metal
07000-07999 VIII Oral Surgery
07100 Single Extractions-Includes local anesthesia and routine postoperative care
07110 Single tooth
07120 Each additional tooth
07200 Surgical Extractions-includes local anesthesia and routine postoperative care
07210 Extraction of tooth, erupted
07220 Extraction of tooth soft tissue impaction
07230 Extraction of tooth partial bony impaction
07240 Extraction of tooth complete bony impaction
07300 Alveoplasty (surgical preparation of ridge for dentures)
07310 Per sextant in conjunction with extractions
07320 Per sextant not in conjunction with extractions

5-25-95 11/11/11

Handwritten notes and scribbles on the right side of the page.