

**PREPAID FUNERAL AND CEMETERY SALES ACT (EXCERPT)**  
**Act 255 of 1986**

**328.216 Certificate of registration to sell, provide, or agree to provide merchandise or services pursuant to prepaid contract; application; fee; duration of certificate; contents of application form; renewal of registration; sworn statement or special report; expiration of certificate; reinstatement of registration; grounds for denial of registration; compliance; petition for reconsideration; hearing.**

Sec. 6.

(1) A person shall not sell, provide, or agree to provide merchandise or funeral or cemetery services pursuant to a prepaid contract unless that person is registered with the department as provided in this section and has received a certificate of registration.

(2) A person desiring to receive a certificate of registration under this section shall apply upon forms provided by the department and pay an application fee of \$120.00. The original registration may be renewed. A certification of registration is valid for 3 years from the date of its issuance. An application form for original registration or renewal shall contain the following:

- (a) The name and business address of the person registering.
- (b) The names and addresses of persons owning 10% or more interest in the entity applying for registration.
- (c) The business address where books and records pertaining to prepaid contracts shall be maintained for inspection by the department.
- (d) A list of the names and addresses of any escrow agents in which funds have been or will be deposited by the registrant as well as copies of all escrow or trust agreements between a registrant and an escrow agent. The list and copies required by this subdivision shall be constantly updated. The registrant shall inform the department of any change in this list within 30 days of the change by adding to the list the name and address of any new escrow agent or by deleting from the list an escrow agent whose services are no longer being used by the registrant.
- (e) A statement made under oath that the registrant has an agreement with each escrow agent with which it has deposited funds which complies with the requirements of section 7, or if the registrant is or intends to be an escrow agent for funds received in connection with a nonguaranteed price contract, a statement that the registrant will comply with the requirements of section 7.

(3) The department shall renew the registration of a person who applies for renewal upon a form provided by the department and pays an application fee of \$30.00 provided that the person has submitted the sworn statement as required by this section and the special report or sworn statement as required by section 8 at least 60 days before the expiration date printed on the certificate of registration. The certificate of registration of a person who fails to file the sworn statement or special report required by this section shall expire on the date printed on the certificate of registration. A registrant may reinstate the registration within 60 days of its expiration by submitting the sworn statement or special report and paying a fee of \$120.00.

(4) The department may deny the registration of a person if it determines any of the following:

- (a) That the person was previously registered with the department and that registration was revoked or suspended within 2 years before the date of the current application for registration.
- (b) That the person was or is presently an owner with a substantial interest in the entity, partner, or employee of a person whose registration was revoked or suspended within 2 years before the date of the current application for registration and the person engaged or participated in or authorized the misconduct that was the basis for the revocation or suspension.
- (c) That the person lacks good moral character as defined and determined under 1974 PA 381, MCL 338.41 to 338.47.
- (d) That the person has violated this act, article 18 of the occupational code, 1980 PA 299, MCL 339.1801 to 339.1812, or the cemetery regulation act, 1968 PA 251, MCL 456.521 to 456.543.

(5) An applicant who registers with the department shall not receive a certificate of registration unless the applicant complies with the conditions in this section.

(6) A person who is denied registration by the department pursuant to this section may petition the department for reconsideration. A person seeking reconsideration is entitled to a hearing conducted in compliance with the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

**History:** 1986, Act 255, Eff. July 1, 1987 ;-- Am. 2004, Act 21, Eff. Jan. 1, 2005

**Compiler's Notes:** For transfer of powers and duties of certain occupational functions, boards, and commissions from the Department of Licensing and Regulation to the Department of Commerce, see E.R.O. No. 1991-9, compiled at MCL 338.3501 of the Michigan Compiled Laws.

