

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

328.228 Prohibited conduct; rules; administrative action.

Sec. 18. (1) Notwithstanding any other law to the contrary, a person selling or offering to sell merchandise or funeral or cemetery services, whether a registrant or not, shall not do any of the following:

(a) Solicit a specific person for the purpose of providing merchandise or funeral or cemetery services for a prospective contract beneficiary knowing that the death of the prospective contract beneficiary has already occurred or is probably imminent.

(b) Make a false or misleading statement, oral or written, regarding the sale of merchandise or funeral or cemetery services pursuant to a prepaid contract or regarding the rights or obligations of any party or prospective party to a prepaid contract for the purpose of inducing a person to purchase the merchandise or funeral or cemetery services or a prepaid contract.

(c) Advertise or offer merchandise or funeral or cemetery services for sale before the death of a prospective contract beneficiary in a manner which is false, misleading, deceptive, or unfair.

(d) Fail to refund principal or principal and income paid for a prepaid contract in violation of this act.

(e) Refuse the use of merchandise bought from another vendor or discriminate by price, burial fee, or otherwise for not purchasing merchandise from or under the direction of the funeral establishment or cemetery. This subdivision does not prohibit a cemetery from adopting and enforcing consistent rules and regulations to be followed by both the cemetery and outside vendors as to the quality, size, shape, type, installation, and maintenance of a grave memorial or a cemetery burial vault or other outside container or urn, except that such regulations may not limit as to supplier or vendor.

(f) Require the purchase of a cemetery burial vault or other outside container from a particular person as a condition to burial in a cemetery in this state. However, this subsection does not limit the right of a cemetery to require the use of a cemetery burial vault or other outside container.

(g) Violate this act or rules promulgated under this act.

(2) A registrant or a person acting on behalf of a registrant, including an agent or employee of a registrant, shall not do any of the following:

(a) Practice fraud, or deception in obtaining registration.

(b) Refuse to disclose books and records required to be maintained and disclosed under this act.

(3) The director of the department may promulgate rules regulating the solicitation of prepaid contracts by registrants to protect against solicitations which are intimidating, vexatious, fraudulent, or misleading or which take unfair advantage of a person's ignorance or emotional vulnerability.

(4) Any administrative action brought under this act shall be 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 note: 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.