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Corn Board, Virginia

Correctional Education, Board of

Corrections, State Board of

Cosmetology, Board for

989105701 **SENATE BILL NO. 526** 1 2 Offered January 26, 1998 3 A BILL to amend and reenact §§ 2.1-1.6, 2.1-20.4, 9-6.25:2, 32.1-45.1, 32.1-127.1:03, 54.1-2402, 4 54.1-2410, 54.1-2503, 54.1-2800, 54.1-2802, 54.1-2803 and 54.1-2804, 54.1-2806, 54.1-2812, 5 6 7 54.1-2819, and 54.1-2821 of the Code of Virginia; to amend the Code of Virginia by adding in Chapter 28 of Title 54.1 an article numbered 6, consisting of sections numbered 54.1-2830 through 54.1-2857; and to repeal Article 3.2 (§§ 57-35.11 through 57-35.35) of Chapter 3 of Title 57 of the 8 Code of Virginia relating to the regulation of for-profit cemeteries. 9 10 Patron—Marye 11 12 Referred to the Committee on General Laws 13 14 Be it enacted by the General Assembly of Virginia: 1. That §§ 2.1-1.6, 2.1-20.4, 9-6.25:2, 32.1-45.1, 32.1-127.1:03, 54.1-2402, 54.1-2410, 54.1-2503, 54.1-2800, 54.1-2802, 54.1-2803 and 54.1-2804, 54.1-2806, 54.1-2812, 54.1-2819, and 54.1-2821 of the 15 16 Code of Virginia are amended and reenacted and that the Code of Virginia is amended by adding 17 in Chapter 28 of Title 54.1 an article numbered 6, consisting of sections numbered 54.1-2830 18 19 through 54.1-2857, as follows: 20 § 2.1-1.6. State boards. 21 A. There shall be, in addition to such others as may be established by law, the following permanent 22 collegial bodies affiliated with a state agency within the executive branch: 23 Accountancy, Board for 24 Aging, Advisory Board on the 25 Agriculture and Consumer Services, Board of 26 Air Pollution, State Advisory Board on Alcoholic Beverage Control Board, Virginia 27 Apple Board, Virginia State 28 29 Appomattox State Scenic River Advisory Board 30 Aquaculture Advisory Board 31 Architects, Professional Engineers, Land Surveyors and Landscape Architects, State Board for 32 Art and Architectural Review Board 33 Athletic Board, Virginia 34 Auctioneers Board Audiology and Speech-Language Pathology, Board of Aviation Board, Virginia 35 36 37 Barbers, Board for 38 Branch Pilots, Board for 39 Bright Flue-Cured Tobacco Board, Virginia 40 Building Code Technical Review Board, State 41 Catoctin Creek State Scenic River Advisory Board 42 Cattle Industry Board, Virginia 43 Cave Board 44 Certified Seed Board, State Chesapeake Bay Local Assistance Board 45 Chickahominy State Scenic River Advisory Board 46 Child Abuse and Neglect, Advisory Board on 47 Chippokes Plantation Farm Foundation, Board of Trustees 48 49 Clinch Scenic River Advisory Board 50 Coal Mining Examiners, Board of 51 Coal Research and Development Advisory Board, Virginia 52 Coal Surface Mining Reclamation Fund Advisory Board 53 Conservation and Development of Public Beaches, Board on 54 Conservation and Recreation, Board of 55 Contractors, Board for

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- 60 Criminal Justice Services Board
- Dark-Fired Tobacco Board, Virginia 61
- 62 Deaf and Hard-of-Hearing, Advisory Board for the Department for the
- 63 Dentistry, Board of
- 64 Design-Build/Construction Management Review Board
- Education, State Board of 65
- Egg Board, Virginia 66
- 67 Emergency Medical Services Advisory Board, State
- Farmers Market Board, Virginia 68
- 69 Fire Services Board, Virginia
- 70 Forestry, Board of
- Funeral Directors and, Embalmers and Cemeteries, Board of 71
- Game and Inland Fisheries, Board of **72**
- Geology, Board for **73**
- **74** Goose Creek Scenic River Advisory Board
- **75** Health Planning Board, Virginia 76 Health Professions, Board of
- 77 Health, State Board of
- **78** Hearing Aid Specialists, Board for
- **79** Hemophilia Advisory Board
- 80 Historic Resources, Board of
- 81 Housing and Community Development, Board of
- Irish Potato Board, Virginia 82
- Juvenile Justice, State Board of 83
- 84 Litter Control and Recycling Fund Advisory Board
- 85 Marine Products Board, Virginia
- Medical Advisory Board, Department of Motor Vehicles 86
- 87 Medicare and Medicaid, Advisory Board on
- 88 Medicine, Board of
- 89 Mental Health, Mental Retardation and Substance Abuse Services Board, State
- 90 Migrant and Seasonal Farmworkers Board
- 91 Military Affairs, Board of
- 92 Mineral Mining Examiners, Board of
- 93 Minority Business Enterprise, Interdepartmental Board of the Department of
- 94 Networking Users Advisory Board, State
- Neurotrauma Initiative Advisory Board, Commonwealth 95
- 96 North Meherrin State Scenic River Advisory Board
- 97 Nottoway State Scenic River Advisory Board
- 98 Nursing, Board of
- 99 Nursing Home Administrators, Board of
- Occupational Therapy, Advisory Board on 100
- Oil and Gas Conservation Board, Virginia 101
- Opticians, Board for 102
- 103 Optometry, Board of
- 104 Peanut Board, Virginia
- 105 Personnel Advisory Board
- Pesticide Control Board 106
- Pharmacy, Board of 107
- Physical Therapy to the Board of Medicine, Advisory Board on 108
- 109 Plant Pollination Advisory Board
- Polygraph Examiners Advisory Board 110
- Pork Industry Board, Virginia 111
- Poultry Products Board, Virginia 112
- Private College Advisory Board 113
- Private Security Services Advisory Board 114
- Professional and Occupational Regulation, Board for 115
- Professional Counselors, Board of 116
- Professional Soil Scientists, Board for 117
- Psychiatric Advisory Board 118
- Psychology, Board of 119
- Public Buildings Board, Virginia 120
- Public Broadcasting Board, Virginia 121

122	Radiation Advisory Board
123	Real Estate Appraiser Board
124	Real Estate Board
125	Reciprocity Board, Department of Motor Vehicles
126	Recreational Fishing Advisory Board, Virginia
127	Recreation Specialists, Board of
128	Reforestation Board
129	Rehabilitation Providers, Advisory Board on
130	Rehabilitative Services, Board of
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131	Respiratory Therapy, Advisory Board on Rockfish State Scenic River Advisory Board
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133	Safety and Health Codes Board
134	Seed Potato Board
135	Sewage Handling and Disposal Appeal Review Board, State Health Department
136	Shenandoah State Scenic River Advisory Board
137	Small Business Advisory Board
138	Small Business Environmental Compliance Advisory Board
139	Small Grains Board, Virginia
140	Social Services, Board of
141	Social Work, Board of
142	Soil and Water Conservation Board, Virginia
143	Soybean Board, Virginia
144	State Air Pollution Control Board
145	Substance Abuse Certification Board
146	Surface Mining Review, Board of
147	Sweet Potato Board, Virginia
148	T & M Vehicle Dealers' Advisory Board
149	Teacher Education and Licensure, Advisory Board on
150	Transportation Board, Commonwealth
151	Transportation Safety, Board of
152	Treasury Board, The, Department of the Treasury
153	Veterans' Affairs, Board on
154	Veterinary Medicine, Board of
155	Virginia Board for Asbestos and Lead
156	Virginia Coal Mine Safety Board
157	Virginia Correctional Enterprises Advisory Board
158	Virginia Cotton Board
159	Virginia Employment Commission, State Advisory Board for the
160	Virginia Geographic Information Network Advisory Board
161	Virginia Horse Industry Board
162	Virginia Manufactured Housing Board
163	Virginia Retirement System, Board of Trustees
164	Virginia Schools for the Deaf and the Blind, Advisory Commission on the
165	Virginia Sheep Industry Board
166	Virginia Veterans Cemetery Board
167	Virginia Waste Management Board
168	Visually Handicapped, Virginia Board for the
169	Voluntary Formulary Board, Virginia
170	War Memorial Foundation, Virginia, Board of Trustees
171	Waste Management Facility Operators, Board for
172	Water Resources Research Center Statewide Advisory Board, Virginia
173	Waterworks and Wastewater Works Operators, Board for
174	Well Review Board, Virginia.
175	B. Notwithstanding the definition for "board" as provided in § 2.1-1.2, the following entities shall be
176	referred to as boards:
177	Compensation Board
178	State Board of Elections
179	State Water Control Board
180	Virginia Parole Board
181	Virginia Veterans Care Center Board of Trustees.
182	§ 2.1-20.4. Bodies receiving compensation.

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- 183 A. Notwithstanding any other provision of law, the following commissions, boards, etc., shall be 184 those which receive compensation from state funds pursuant to § 2.1-20.3:
- 185 Accountancy, Board for
- 186 Agriculture and Consumer Services, Board of
- 187 Air Pollution Control Board, State
- 188 Airports Authority, Virginia
- 189 Apprenticeship Council
- 190 Architects, Professional Engineers, Land Surveyors and Landscape Architects, State Board for
- Athletic Board, Virginia 191
- 192 Auctioneers Board
- 193 Audiology and Speech-Language Pathology, Board of
- Aviation Board, Virginia Barbers, Board for 194
- 195
- Branch Pilots, Board for 196
- Building Code Technical Review Board, State 197
- 198 Charitable Gaming Commission
- 199 Chesapeake Bay Local Assistance Board
- 200 Coal Mining Examiners, Board of
- 201 College Building Authority
- 202 Commonwealth Competition Council
- Commonwealth Transportation Board 203
- 204 Conservation and Development of Public Beaches, Board on
- Conservation and Recreation, Board of 205
- Contractors, Board for 206
- Correctional Education, Board of 207
- 208 Corrections, Board of
- Cosmetology, Board for 209
- Criminal Justice Services Board 210
- Deaf and Hard-of-Hearing, Advisory Board for the 211
- Dentistry, Board of 212
- Education, State Board of 213
- 214 Education Loan Authority, Virginia - Board of Directors
- 215 Elections, State Board of
- 216 Environment, Council on the
- Fire Services Board, Virginia 217
- Funeral Directors and, Embalmers and Cemeteries, Board of 218
- 219 Game and Inland Fisheries, Board of
- 220
- Geology, Board for Health, State Board of 221
- 222 Health Professions, Board of
- Hearing Aid Specialists, Board for 223
- 224 Higher Education, State Council of
- 225 Historic Resources, Board of
- 226 Housing and Community Development, Board of
- 227 Information Management, Council on
- 228 Juvenile Justice, State Board of
- 229 Marine Resources Commission
- 230 Medical Assistance Services, Board of
- 231 Medical Complaint Investigation Committee
- 232 Medicine, Board of
- Mental Health, Mental Retardation and Substance Abuse Services Board, State 233
- 234 Milk Commission
- 235 Mineral Mining Examiners, Board of
- 236 Motor Vehicle Dealer Board
- 237 Nursing, Board of
- 238 Nursing Home Administrators, Board of
- 239 Occupational Therapy, Advisory Board on
- 240 Oil and Gas Conservation Board, Virginia
- 241 Opticians, Board for
- Optometry, Board of 242
- 243 Pesticide Control Board
- Pharmacy, Board of 244

245 Physical Therapy, Advisory Board on 246 Port Authority, Board of Commissioners of the Virginia 247 Professional and Occupational Regulation, Board for 248 Professional Counselors, Board of 249 Professional Soil Scientists, Board for 250 Psychology, Board of Public Defender Commission 251 252 Public School Authority, Virginia 253 Purchases and Supply Appeals Board 254 Real Estate Appraiser Board 255 Real Estate Board 256 Recreation Specialists, Board of 257 Rehabilitative Services, Board of 258 Respiratory Therapy, Advisory Board on 259 Safety and Health Codes Board 260 Seed Potato Board 261 Social Services, Board of 262 Social Work, Board of 263 State Health Department Sewage Handling and Disposal Appeal Review Board 264 Substance Abuse Certification Board 265 Surface Mining Review, Board of 266 Treasury Board Veterans' Affairs, Board on 267 268 Veterinary Medicine, Board of 269 Virginia Board for Asbestos Licensing 270 Virginia Health Planning Board Virginia Manufactured Housing Board 271 272 Virginia Veterans Care Center Board of Trustees 273 Virginia Waste Management Board 274 Visually Handicapped, Virginia Board for the 275 Waste Management Facility Operators, Board for 276 Water Control Board, State Waterworks and Wastewater Works Operators, Board for 277 278 Well Review Board, Virginia. 279 B. Individual members of boards, commissions, committees, councils, and other similar bodies 280 appointed at the state level and receiving compensation for their services on January 1, 1980, but who 281 will not receive compensation under the provisions of this article, shall continue to receive compensation 282 at the January 1, 1980, rate until such member's current term expires. 283 § 9-6.25:2. Policy boards, commissions and councils. 284 There shall be, in addition to such others as may be designated in accordance with § 9-6.25, the 285 following policy boards, commissions and councils: 286 Apprenticeship Council 287 Athletic Board 288 Auctioneers Board 289 Blue Ridge Regional Education and Training Council 290 Board for Accountancy 291 Board for Architects, Professional Engineers, Land Surveyors and Landscape Architects 292 Board for Barbers 293 **Board for Contractors** 294 Board for Cosmetology 295 Board for Geology 296 Board for Hearing Aid Specialists 297 Board for Opticians 298 Board for Professional and Occupational Regulation 299 Board for Professional Soil Scientists 300 Board for Waterworks and Wastewater Works Operators 301 Board of Agriculture and Consumer Services

Board of Audiology and Speech-Language Pathology

Board of Coal Mining Examiners

Board of Correctional Education

Board of Conservation and Recreation

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Virginia Parole Board

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367 Virginia Public Broadcasting Board

Virginia Manufactured Housing Board

Virginia Soil and Water Conservation Board

Virginia Voluntary Formulary Board

Virginia Waste Management Board

Waste Management Facility Operators, Board for.

§ 32.1-45.1. Deemed consent to testing and release of test results related to infection with human immunodeficiency virus or hepatitis B or C viruses.

- A. Whenever any health care provider, or any person employed by or under the direction and control of a health care provider, is directly exposed to body fluids of a patient in a manner which may, according to the then current guidelines of the Centers for Disease Control, transmit human immunodeficiency virus or hepatitis B or C viruses, the patient whose body fluids were involved in the exposure shall be deemed to have consented to testing for infection with human immunodeficiency virus or hepatitis B or C viruses. Such patient shall also be deemed to have consented to the release of such test results to the person who was exposed. In other than emergency situations, it shall be the responsibility of the health care provider to inform patients of this provision prior to providing them with health care services which create a risk of such exposure.
- B. Whenever any patient is directly exposed to body fluids of a health care provider, or of any person employed by or under the direction and control of a health care provider, in a manner which may, according to the then current guidelines of the Centers for Disease Control, transmit human immunodeficiency virus or hepatitis B or C viruses, the person whose body fluids were involved in the exposure shall be deemed to have consented to testing for infection with human immunodeficiency virus or hepatitis B or C viruses. Such person shall also be deemed to have consented to the release of such test results to the patient who was exposed.
- C. For the purposes of this section, "health care provider" means any person, facility or agency licensed or certified to provide care or treatment by the Department of Health, Department of Mental Health, Mental Retardation and Substance Abuse Services, Department of Rehabilitative Services, or the Department of Social Services, any person licensed or certified by a health regulatory board within the Department of Health Professions except for the Boards of Funeral Directors and, Embalmers and Cemeteries and Veterinary Medicine or any personal care agency contracting with the Department of Medical Assistance Services.
- D. "Health care provider," as defined in subsection C of this section, shall be deemed to include any person who renders emergency care or assistance, without compensation and in good faith, at the scene of an accident, fire, or any life-threatening emergency, or while en route therefrom to any hospital, medical clinic or doctor's office during the period while rendering such emergency care or assistance. The Department of Health shall provide appropriate counseling and opportunity for face-to-face disclosure of any test results to any such person.
- E. Whenever any law-enforcement officer is directly exposed to body fluids of a person in a manner which may, according to the then current guidelines of the Centers for Disease Control, transmit human immunodeficiency virus or hepatitis B or C viruses, the person whose body fluids were involved in the exposure shall be deemed to have consented to testing for infection with human immunodeficiency virus or hepatitis B or C viruses. Such person shall also be deemed to have consented to the release of such test results to the law-enforcement officer who was exposed. In other than emergency situations, it shall be the responsibility of the law-enforcement officer to inform the person of this provision prior to the contact which creates a risk of such exposure.
- F. Whenever a person is directly exposed to the body fluids of a law-enforcement officer in a manner which may, according to the then current guidelines of the Centers for Disease Control, transmit human immunodeficiency virus or hepatitis B or C viruses, the law-enforcement officer whose body fluids were involved in the exposure shall be deemed to have consented to testing for infection with human immunodeficiency virus or hepatitis B or C viruses. The law-enforcement officer shall also be deemed to have consented to the release of such test results to the person.
- G. For the purposes of this section, "law-enforcement officer" means a person who is both (i) engaged in his public duty at the time of such exposure and (ii) employed by any sheriff's office, any adult or youth correctional facility, or any state or local law-enforcement agency, or any agency or department under the direction and control of the Commonwealth or any local governing body that employs persons who have law-enforcement authority.
- H. If the person whose blood specimen is sought for testing refuses to provide such specimen, any person potentially exposed to the human immunodeficiency virus or hepatitis B or C viruses, or the employer of such person, may petition the general district court of the county or city in which the person whose specimen is sought resides or resided, or, in the case of a nonresident, the county or city where the health care provider or law-enforcement agency has its principal office, for an order requiring the person to provide a blood specimen or to submit to testing and to disclose the test results in accordance with this section. At any hearing before the court, the person whose specimen is sought or

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his counsel may appear. The court shall be advised by the Commissioner or his designee prior to entering any testing order. If a testing order is issued, both the petitioner and the person from whom the blood specimen is sought shall receive counseling and opportunity for face-to-face disclosure of any test results by a licensed practitioner or trained counselor.

§ 32.1-127.1:03. Patient Health Records Privacy.

A. There is hereby recognized a patient's right of privacy in the content of a patient's medical record. Patient records are the property of the provider maintaining them, and, except when permitted by this section or by another provision of state or federal law, no provider, or other person working in a health care setting, may disclose the records of a patient.

Patient records shall not be removed from the premises where they are maintained without the approval of the provider, except in accordance with a court order or subpoena consistent with § 8.01-413 C or with this section.

No third party to whom disclosure of patient records was made by a provider shall redisclose or otherwise reveal the records of a patient, beyond the purpose for which such disclosure was made, without first obtaining the patient's specific consent to such redisclosure. This redisclosure prohibition shall not, however, prevent any provider who receives records from another provider from making subsequent disclosures permitted under this section.

B. As used in this section:

"Agent" means a person who has been appointed as a patient's agent under a power of attorney for health care or an advance directive under the Health Care Decisions Act (§ 54.1-2981 et seq.)

"Guardian" means a court-appointed guardian of the person.

"Health services" includes but is not limited to examination, diagnosis, evaluation, treatment, pharmaceuticals, aftercare, habilitation or rehabilitation and mental health therapy of any kind.

"Parent" means a biological, adoptive or foster parent.

"Patient" means a person who is receiving or has received health services from a provider.

"Provider" shall have the same meaning as set forth in the definition of "Health care provider" in § 8.01-581.1, except that state-operated facilities shall also be considered providers for the purposes of this section. Provider shall also include all individuals who are licensed or certified by any of the health regulatory boards within the Department of Health Professions, except individuals regulated by the Board of Funeral Directors and, Embalmers and Cemeteries or the Board of Veterinary Medicine.

"Record" means any written, printed or electronically recorded material maintained by a provider in the course of providing health services to a patient concerning the patient and the services provided. "Record" also includes the substance of any communication made by a patient to a provider in confidence during or in connection with the provision of health services to a patient or information otherwise acquired by the provider about a patient in confidence and in connection with the provision of health services to the patient.

- C. The provisions of this section shall not apply to any of the following:
- 1. The status of and release of information governed by §§ 65.2-604 and 65.2-607 of the Virginia Workers' Compensation Act; or
 - 2. Except where specifically provided herein, the records of minor patients.
 - D. Providers may disclose the records of a patient:
- 1. As set forth in subsection E of this section, pursuant to the written consent of the patient or in the case of a minor patient, his custodial parent, guardian or other person authorized to consent to treatment of minors pursuant to § 54.1-2969; also, in emergency cases or situations where it is impractical to obtain the patient's written consent, pursuant to the patient's oral consent for a provider to discuss the patient's records with a third party specified by the patient;
- 2. In compliance with a subpoena issued in accord with subsection H of this section, pursuant to court order upon good cause shown or in compliance with a subpoena issued pursuant to subsection C of § 8.01-413;
- 3. In accord with subsection F of § 8.01-399 including, but not limited to, situations where disclosure is reasonably necessary to establish or collect a fee or to defend a provider or the provider's employees or staff against any accusation of wrongful conduct; also as required in the course of an investigation, audit, review or proceedings regarding a provider's conduct by a duly authorized law-enforcement, licensure, accreditation, or professional review entity;
 - 4. In testimony in accordance with §§ 8.01-399 and 8.01-400.2;
 - 5. In compliance with the provisions of § 8.01-413;
- 6. As required or authorized by any other provision of law including contagious disease, public safety, and suspected child or adult abuse reporting requirements, including but not limited to those contained in §§ 32.1-36, 32.1-36.1, 32.1-40, 32.1-41, 32.1-276.5, 32.1-283, 32.1-283.1, 37.1-98.2, 53.1-40.10, 54.1-2403.3, 54.1-2906, 54.1-2907, 54.1-2966, 54.1-2966.1, 54.1-2967, 54.1-2968, 63.1-55.3 and 63.1-248.11;
 - 7. Where necessary in connection with the care of the patient;

- 8. In the normal course of business in accordance with accepted standards of practice within the health services setting;
 - 9. When the patient has waived his right to the privacy of the medical records;

- 10. When examination and evaluation of a patient is undertaken pursuant to judicial or administrative law order, but only to the extent as required by such;
- 11. To the guardian ad litem in the course of a guardianship proceeding of an adult patient authorized under §§ 37.1-128.1, 37.1-128.2 and 37.1-132;
- 12. To the attorney appointed by the court to represent a patient in a civil commitment proceeding under § 37.1-67.3;
- 13. To the attorney and/or guardian ad litem of a minor patient who represents such minor in any judicial or administrative proceeding, provided that the court or administrative hearing officer has entered an order granting the attorney or guardian ad litem this right and such attorney or guardian ad litem presents evidence to the provider of such order;
- 14. With regard to the Court Appointed Special Advocate (CASA) program, a minor's records in accord with § 9-173.12;
- 15. To an agent appointed under a patient's power of attorney or to an agent or decision maker designated in a patient's advance directive for health care or to any other person consistent with the provisions of the Health Care Decisions Act (§ 54.1-2981 et seq.);
- 16. To third-party payors and their agents pursuant to the deemed consent provisions of §§ 37.1-226 and 37.1-227 when the patient has requested the provider to submit bills to the third-party payor for payment under a contract or insurance policy;
- 17. As is necessary to support an application for receipt of health care benefits from a governmental agency or as required by an authorized governmental agency reviewing such application or reviewing benefits already provided;
 - 18. Upon the sale of a medical practice as provided in § 54.1-2405;
- 19. In accord with § 54.1-2400.1 B, to communicate a patient's specific and immediate threat to cause serious bodily injury or death of an identified or readily identifiable person;
- 20. To the patient, except as provided in subsections E and F of this section and subsection B of § 8.01-413;
- 21. In the case of substance abuse records when permitted by and in conformity with requirements of federal law found in 42 U.S.C 290dd-2 and 42 C.F.R. Part 2;
- 22. In connection with the work of any entity established as set forth in § 8.01-581.16 to evaluate the adequacy or quality of professional services or the competency and qualifications for professional staff privileges;
- 23. Records of a deceased or mentally incapacitated patient to the personal representative or executor of the deceased patient or the legal guardian or committee of the incompetent or incapacitated patient or if there is no such person appointed, to the following persons in the following order of priority: a spouse, an adult son or daughter, either parent, an adult brother or sister, or any other relative of the deceased patient in order of blood relationship; and
 - 24. Pursuant to a medical temporary detention order as set out in subsection M of § 37.1-134.5.
- E. Requests for copies of medical records shall (i) be in writing, dated and signed by the requester; (ii) identify the nature of the information requested; and (iii) include evidence of the authority of the requester to receive such copies and identification of the person to whom the information is to be disclosed. Within fifteen days of receipt of a request for copies of medical records, the provider shall do one of the following: (i) furnish such copies to any requester authorized to receive them; (ii) inform the requester if the information does not exist or cannot be found; (iii) if the provider does not maintain a record of the information, so inform the requester and provide the name and address, if known, of the provider who maintains the record; or (iv) deny the request (a) under subsection F, (b) on the grounds that the requester has not established his authority to receive such records or proof of his identity, or (c) as otherwise provided by law. Procedures set forth in this section shall apply only to requests for records not specifically governed by other provisions of this Code or of federal law.
- F. Except as provided in subsection B of § 8.01-413, copies of a patient's records shall not be furnished to such patient or anyone authorized to act on the patient's behalf where the patient's attending physician or the patient's clinical psychologist has made a part of the patient's record a written statement that, in his opinion, the furnishing to or review by the patient of such records would be injurious to the patient's health or well-being. If any custodian of medical records denies a request for copies of records based on such statement, the custodian shall permit examination and copying of the medical record by another such physician or clinical psychologist selected by the patient, whose licensure, training and experience relative to the patient's condition is at least equivalent to that of the physician or clinical psychologist upon whose opinion the denial is based. The person or entity denying the request shall inform the patient of the patient's right to select another reviewing physician or clinical psychologist

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 under this subsection who shall make a judgment as to whether to make the record available to the patient. Any record copied for review by the physician or clinical psychologist selected by the patient shall be accompanied by a statement from the custodian of the record that the patient's attending physician or clinical psychologist determined that the patient's review of his record would be injurious to the patient's health or well-being.

G. A written consent to allow release of patient records may, but need not, be in the following form:
558
559 CONSENT TO RELEASE OF CONFIDENTIAL HEALTH CARE
560
561 INFORMATION
562
563 Patient Name.
564

Person, agency or provider to whom disclosure is to

be made.....

Provider Name.....

Information or Records to be disclosed.....

As the person signing this consent, I understand that I am giving

my permission to the above-named provider or other named third party

for disclosure of confidential health care records. I also understand

that I have the right to revoke this consent, but that my revocation

is not effective until delivered in writing to the person who is in

possession of $\ensuremath{\mathsf{my}}$ records. A copy of this consent and a notation

concerning the persons or agencies to whom disclosure was made shall

be included with ${\tt my}$ original records. The person who receives the

records to which this consent pertains may not redisclose them to

anyone else without my separate written consent unless such recipient

is a provider who makes a disclosure permitted by law.

This consent expires on (date).....

Signature of Patient Date

H. 1. No party to an action shall request the issuance of a subpoena duces tecum for an opposing party's medical records unless a copy of the request for the subpoena is provided to opposing counsel or the opposing party if they are pro se, simultaneously with filing the request. No party to an action shall request the issuance of a subpoena duces tecum for the medical records of a nonparty witness unless a copy of the request for the subpoena is provided to the nonparty witness simultaneously with filing the request.

In instances where medical records being subpoenaed are those of a pro se party or nonparty witness, the party requesting the issuance of the subpoena shall deliver to the pro se party or nonparty witness together with the copy of the request for subpoena, a statement informing them of their rights and remedies. The statement shall include the following language and the heading shall be in boldface capital letters:

NOTICE TO PATIENT

The attached Request for Subpoena means that (insert name of party requesting subpoena) has asked the court to issue a subpoena to your doctor or other health care providers (names of health care providers inserted here) requiring them to produce your medical records. Your doctor or other health care provider is required to respond by providing a copy of your medical records. If you believe your records should not be disclosed and object to their disclosure, you have the right to file a motion with the clerk of the court to quash the subpoena. You may contact the clerk's office to determine the requirements that must be satisfied when filing a motion to quash and you may elect to contact an attorney to represent your interest. If you elect to file a motion to quash, it must be filed as soon as possible before the provider sends out the records in response to the subpoena. If you elect to file a motion to quash, you must notify your doctor or other health care provider(s) that you are filing the motion so that the provider knows to send the records to the clerk of court in a sealed envelope or package for safekeeping while your motion is decided.

2. Any party filing a request for a subpoena duces tecum for a patient's medical records shall include a Notice to Providers in the same part of the request where the provider is directed where and when to return the records. Such notice shall be in boldface capital letters and shall include the following language:

NOTICE TO PROVIDERS

IF YOU RECEIVE NOTICE THAT YOUR PATIENT HAS FILED A MOTION TO QUASH (OBJECTING TO) THIS SUBPOENA, OR IF YOU FILE A MOTION TO QUASH THIS SUBPOENA, SEND THE RECORDS ONLY TO THE CLERK OF THE COURT WHICH ISSUED THE SUBPOENA USING THE FOLLOWING PROCEDURE: PLACE THE RECORDS IN A SEALED ENVELOPE AND ATTACH TO THE SEALED ENVELOPE A COVER LETTER TO THE CLERK OF COURT WHICH STATES THAT CONFIDENTIAL HEALTH CARE RECORDS ARE ENCLOSED AND ARE TO BE HELD UNDER SEAL PENDING THE COURT'S RULING ON THE MOTION TO QUASH THE SUBPOENA. THE SEALED ENVELOPE AND THE COVER LETTER SHALL BE PLACED IN AN OUTER ENVELOPE OR PACKAGE FOR TRANSMITTAL TO THE COURT.

- 3. Health care providers shall provide a copy of all records as required by a subpoena duces tecum or court order for such medical records. If the health care provider has, however, actual receipt of notice that a motion to quash the subpoena has been filed or if the health care provider files a motion to quash the subpoena for medical records, then the health care provider shall produce the records to the clerk of the court issuing the subpoena, where the court shall place the records under seal until a determination is made regarding the motion to quash. The securely sealed envelope shall only be opened on order of the judge. In the event the court grants the motion to quash, the records shall be returned to the health care provider in the same sealed envelope in which they were delivered to the court. In the event that a judge orders the sealed envelope to be opened to review the records in camera, a copy of the judge's order shall accompany any records returned to the provider. The records returned to the provider shall be in a securely sealed envelope.
- 4. It is the duty of any party requesting a subpoena duces tecum for medical records to determine whether the patient whose records are sought is pro se or a nonparty. Any request for a subpoena duces tecum for the medical records of a nonparty or of a pro se party shall direct the provider (in boldface type) not to produce the records until ten days after the date on which the provider is served with the subpoena duces tecum and shall be produced no later than twenty days after the date of such service.

In the event that the individual whose records are being sought files a motion to quash the subpoena, the court shall decide whether good cause has been shown by the discovering party to compel disclosure of the patient's private records over the patient's objections. In determining whether good cause has been shown, the court shall consider (i) the particular purpose for which the information was collected; (ii) the degree to which the disclosure of the records would embarrass, injure, or invade the privacy of the individual; (iii) the effect of the disclosure on the individual's future health care; (iv) the importance of the information to the lawsuit or proceeding; and (v) any other relevant factor.

The provisions of this subsection have no application to subpoenas for medical records requested under § 8.01-413, or issued by a duly authorized administrative agency conducting an investigation, audit, review or proceedings regarding a provider's conduct. The provisions of this subsection apply to the medical records of both minors and adults.

A subpoena for substance abuse records must conform to the requirements of federal law found in 42 C.F.R. Part 2, Subpart E.

Providers may testify about the medical records of a patient in compliance with §§ 8.01-399 and 8.01-400.2.

§ 54.1-2402. Citizen members on health regulatory boards.

Citizen members appointed to boards within the Department of Health Professions after July 1, 1986,

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671 shall participate in all matters. Of the citizen members first appointed to boards with two citizen 672 members, one shall be appointed for a term of two years and one for the maximum term established for members of the respective board. On boards with one citizen member, the citizen member initially 673 674 appointed shall be appointed for the maximum term established for members of that board. The 675 provisions of this section relating to terms of citizen members on such boards shall not apply to the 676 Board of Medicine or to the Board of Funeral Directors and, Embalmers and Cemeteries. For the 677 purposes of this section, "citizen member" shall have the meaning provided in § 54. 678

§ 54.1-2410. Definitions.

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As used in this chapter or when referring to the Board of Health Professions regulatory authority therefor, unless the context requires a different meaning:

"Board" means the Board of Health Professions.

"Community" means a city or a county.

"Demonstrated need" means (i) there is no facility in the community providing similar services and (ii) alternative financing is not available for the facility, or (iii) such other conditions as may be established by Board regulation.

"Entity" means any person, partnership, firm, corporation, or other business that delivers health

"Group practice" means two or more health care practitioners who are members of the same legally organized partnership, professional corporation, not-for-profit corporation, faculty practice or similar association in which (i) each member provides substantially the full range of services within his licensed or certified scope of practice at the same location as the other members through the use of the organization's office space, facilities, equipment, or personnel; (ii) payments for services received from a member are treated as receipts of the organization; and (iii) the overhead expenses and income from the practice are distributed according to methods previously determined by the members.

"Health services" means any procedures or services related to prevention, diagnosis, treatment, and care rendered by a health care worker, regardless of whether the worker is regulated by the Commonwealth.

"Immediate family member" means the individual's spouse, child, child's spouse, stepchild, stepchild's spouse, grandchild, grandchild's spouse, parent, stepparent, parent-in-law, or sibling.

"Investment interest" means the ownership or holding of an equity or debt security, including, but not limited to, shares of stock in a corporation, interests or units of a partnership, bonds, debentures, notes, or other equity or debt instruments, except investment interests in a hospital licensed pursuant to Article 1 (§ 32.1-123 et seq.) of Chapter 5 of Title 32.1.

'Investor" means an individual or entity directly or indirectly possessing a legal or beneficial ownership interest, including an investment interest.

"Office practice" means the facility or facilities at which a practitioner, on an ongoing basis, provides or supervises the provision of health services to consumers.

"Practitioner" means any individual certified or licensed by any of the health regulatory boards within the Department of Health Professions, except individuals regulated by the Board of Funeral Directors and, Embalmers and Cemeteries or the Board of Veterinary Medicine.

"Referral" means to send or direct a patient for health services to another health care practitioner or entity outside the referring practitioner's group practice or office practice or to establish a plan of care which requires the provision of any health services outside the referring practitioner's group practice or office practice.

§ 54.1-2503. Boards within Department.

In addition to the Board of Health Professions, the following boards are included within the Department: Board of Audiology and Speech-Language Pathology, Board of Dentistry, Board of Funeral Directors and Cemeteries, Board of Medicine, Board of Nursing, Board of Nursing Home Administrators, Board of Optometry, Board of Pharmacy, Board of Professional Counselors, Board of Psychology, Board of Recreation Specialists, Board of Social Work and Board of Veterinary Medicine.

§ 54.1-2800. Definitions.

As used in this chapter, unless the context requires a different meaning:

"Advertisement" means any information disseminated or placed before the public.

"At-need" means at the time of death or while death is imminent.

"Board" means the Board of Funeral Directors and, Embalmers and Cemeteries.

"Cemetery" means any land or structure used or intended to be used for the interment of human remains. The sprinkling of ashes or their burial in a biodegradable container on church grounds or their placement in a columbarium on church property shall not constitute the creation of a cemetery.

"Cemetery company" means any person engaged in the business of (i) selling or offering for sale any grave or entombment right in a cemetery and representing to the public that the entire cemetery, a single grave, or entombment right therein will be perpetually cared for or (ii) selling property or services used in connection with interring or disposing of the remains or commemorating the memory of a deceased human being, where delivery of the property or performance of the service may be delayed later than 120 days after receipt of the initial payment on account of such sale. Such property or services include but are not limited to burial vaults, mausoleum crypts, garden crypts, lawn crypts, memorials, and marker bases, but shall not include graves or incidental additions such as dates, scrolls, or other supplementary matter representing not more than ten percent of the total contract price.

"Compliance agent" means a natural person who owns or is employed by a cemetery company to

ensure the compliance of the cemetery company with the provisions of this article.

"Cost requirement" means the total cost to the seller of the property or services subject to the deposit requirements of § 54.1-2841 required by that seller's total contracts.

"Embalmer" means any person engaged in the practice of embalming.

"Embalming" means the preservation and disinfection of the human dead by external or internal application of chemicals.

"Funeral directing" means the for-profit profession of directing or supervising funerals, preparing human dead for burial by means other than embalming, or making arrangements for funeral services or the financing of funeral services.

"Funeral director" means any person engaged in the practice of funeral directing.

"Funeral service establishment" means any main establishment, branch or chapel which is permanently affixed to the real estate and for which a certificate of occupancy has been issued by the local building official where any part of the profession of funeral directing or the act of embalming is performed.

"Funeral service licensee" means a person who is licensed in the practice of funeral services.

"Garden crypt" means a burial receptacle, usually constructed of reinforced concrete, installed in quantity on gravel or tile underlay. Each crypt becomes an integral part of a given garden area and is considered real property.

"General funds" means the sum total of specific funds put together in a single fund.

"Grave" means a below-ground right of interment.

"In-person communication" means face-to-face communication and telephonic communication.

"Interment" means all forms of final disposal of human remains including, but not limited to, earth burial, mausoleum entombment and niche or columbarium inurnment. The sprinkling of ashes on church grounds shall not constitute interment.

"Lawn crypt" means a burial vault with some minor modifications for the improvement of drainage in and around the receptacle and is considered personal property.

"Marker base" means the visible part of the marker or monument upon which the marker or monument rests and is considered personal property.

"Mausoleum crypt" means a burial receptacle usually constructed of reinforced concrete and usually constructed or assembled above the ground and is considered real property.

"Memorials, markers or monuments" means the object used to identify the deceased and is considered personal property.

"Next of kin" means any of the following: legal spouse, child over eighteen years of age, custodial parent, noncustodial parent, siblings over eighteen years of age, guardian of minor child, guardian of minor siblings, maternal grandparents, paternal grandparents, maternal siblings over eighteen years of age and paternal siblings over eighteen years of age, or any other relative in the descending order of blood relationship.

"Perpetual care" means the maintenance of cemetery grounds and graves in keeping with a properly maintained cemetery, including (i) cutting the grass on cemetery plots at reasonable intervals; (ii) raking and cleaning of cemetery plots at reasonable intervals; (iii) pruning shrubs and trees; (iv) procuring, maintaining, and keeping in workable condition the machinery, tools, and equipment needed for maintenance purposes, and replacing the machinery, tools, and equipment when necessary; and (v) keeping in repair and preserving the drains, water lines, roads, building, fences, and other structures, including cemetery owned statues and embellishments of a general character applicable to the cemetery as a whole or a particular area.

"Perpetual care trust fund" means a fund created to provide income to a cemetery to provide for the perpetual care and administration of the cemetery.

"Practice of funeral services" means engaging in the care and disposition of the human dead, the preparation of the human dead for the funeral service, burial or cremation, the making of arrangements for the funeral service or for the financing of the funeral service and the selling or making of financial arrangements for the sale of funeral supplies to the public.

"Preneed" means at any time other than at-need.

"Preneed burial contract" means a contract for the sale of property or services used in connection with interring or disposing of the remains or commemorating the memory of a deceased human being,

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where delivery of the property or performance of the service may be delayed for more than 120 days after the receipt of initial payment on account of such sale. Such property or services include but are not limited to burial vaults, mausoleum crypts, garden crypts, lawn crypts, memorials, and marker bases, but shall not include graves or incidental additions such as dates, scrolls, or other supplementary matter representing not more than ten percent of the total contract price.

"Preneed funeral contract" means any agreement where payment is made by the consumer prior to the receipt of services or supplies contracted for, which evidences arrangements prior to death for: (i)

the providing of funeral services or (ii) the sale of funeral supplies.

"Preneed funeral planning" means the making of arrangements prior to death for: (i) the providing of funeral services or (ii) the sale of funeral supplies.

"Resident trainee" means a person who is preparing to be licensed for the practice of funeral services under the direct supervision of a practitioner licensed by the Board.

"Solicitation" means initiating contact with consumers with the intent of influencing their selection of a funeral plan or, funeral service provider *or cemetery company*.

"Specific trust funds" means funds identified to a certain contract for personal property or services.

§ 54.1-2802. Board; appointment; terms; vacancies; meetings; quorum.

The Board of Funeral Directors, and Embalmers and Cemeteries shall consist of nine seventeen members as follows: seven funeral service licensees of the Board with at least five consecutive years of funeral service practice in this Commonwealth immediately prior to appointment; six cemetery operators who have operated a for-profit cemetery in the Commonwealth for at least five consecutive years immediately prior to appointment; and two four citizen members two of whom shall be representatives of local governments. Of the cemetery operators initially appointed to the Board, two shall be appointed for a term of four years, two shall be appointed for a term of two years. The terms of office shall be for four years from July 1. Appointments shall be made annually on or before June 30 as the terms of the members respectively expire. Appointments to the Board should generally represent the geographical areas of the Commonwealth. The Board shall annually elect a president, a vice-president and a secretary-treasurer.

The Board shall hold at least two meetings each year at which examinations shall be given. In addition, the Board may meet as often as its duties require. Five Nine members shall constitute a quorum.

§ 54.1-2803. Specific powers and duties of Board.

In addition to the general powers and duties conferred in this subtitle, the Board shall have the following specific powers and duties:

- 1. To establish standards of service and practice for the funeral service profession *and the operation* of for-profit cemeteries in this Commonwealth.
- 2. To regulate and inspect funeral service establishments and for-profit cemeteries, their operation and licenses.
- 3. To require licensees and resident trainees to submit all information relevant to their practice or business.
 - 4. To enforce the relevant regulations of the Board of Health.
 - 5. To enforce local ordinances relating to funeral service establishments.
 - 6. To determine the qualifications for inspectors serving as its agents.
- 7. To establish, supervise, regulate and control, in accordance with the law, programs for resident trainees.
 - 8. To establish standards for and approve schools of mortuary science or funeral service.
 - 9. To adopt a common seal.
- 10. To regulate preneed funeral contracts and preneed funeral trust accounts as prescribed by this chapter, including, but not limited to, the authority to prescribe preneed contract forms, disclosure requirements and disclosure forms and to require reasonable bonds to insure performance of preneed contracts.
- 11. To regulate preneed burial contracts and perpetual care trust fund accounts including, but not limited to, the authority to prescribe preneed contract forms, disclosure requirements and disclosure forms and to require reasonable bonds to ensure performance of preneed contracts;
 - 12. To regulate sales personnel employed by a cemetery company.

§ 54.1-2804. Licensing authority.

The Board of Funeral Directors and, Embalmers and Cemeteries is authorized to determine the qualifications to enable any person to engage in the practice of funeral service, preneed funeral planning, funeral directing, embalming and, the operation of a funeral service establishment and the operation of a cemetery.

§ 54.1-2806. Refusal, suspension or revocation of license.

The Board may refuse to admit a candidate to any examination, refuse to issue a license to any applicant and may suspend a license for a stated period or indefinitely, or revoke any license or censure

or reprimand any licensee or place him on probation for such time as it may designate for any of the following causes:

- 1. Conviction of any felony or any crime involving moral turpitude;
- 2. Unprofessional conduct which is likely to defraud or to deceive the public or clients;
- 3. Misrepresentation or fraud in the conduct of the funeral service profession, or in obtaining or renewing a license;
 - 4. False or misleading advertising or solicitation;

- 5. Solicitation at-need or any preneed solicitation using in-person communication by the licensee, his agents, assistants or employees; however, general advertising and preneed solicitation, other than in-person communication, shall be allowed;
- 6. Employment by the licensee of persons known as "cappers" or "steerers," or "solicitors," or other such persons to obtain the services of a holder of a license for the practice of funeral service;
- 7. Employment directly or indirectly of any agent, employee or other person, on part or full time, or on a commission, for the purpose of calling upon individuals or institutions by whose influence dead human bodies may be turned over to a particular funeral establishment;
- 8. Direct or indirect payment or offer of payment of a commission to others by the licensee, his agents, or employees for the purpose of securing business;
- 9. Use of alcohol or drugs to the extent that such use renders him unsafe to practice his licensed activity;
- 10. Aiding or abetting an unlicensed person to practice within the funeral service profession or to operate a for-profit cemetery;
- 11. Using profane, indecent or obscene language within the immediate hearing of the family or relatives of a deceased, whose body has not yet been interred or otherwise disposed of;
- 12. Solicitation or acceptance by a licensee of any commission or bonus or rebate in consideration of recommending or causing a dead human body to be disposed of in any crematory, mausoleum or cemetery;
- 13. Violation of any statute, ordinance or regulation affecting the handling, custody, care or transportation of dead human bodies;
- 14. Refusing to surrender promptly the custody of a dead human body upon the express order of the person lawfully entitled to custody;
 - 15. Knowingly making any false statement on a certificate of death;
 - 16. Violation of any provisions of Chapter 7 (§ 32.1-249 et seq.) of Title 32.1;
- 17. Failure to comply with § 54.1-2812, and to keep on file an itemized statement of funeral expenses in accordance with Board regulations;
- 18. Knowingly disposing of parts of human remains, including viscera, that are received with the body by the funeral establishment, in a manner different from that used for final disposition of the body, unless the persons authorizing the method of final disposition give written permission that the body parts may be disposed of in a manner different from that used to dispose of the body;
- 19. Violating or failing to comply with Federal Trade Commission rules regulating funeral industry practices;
- 20. Violating or cooperating with others to violate any provision of this chapter or the regulations of the Board of Funeral Directors and, Embalmers and Cemeteries or the Board of Health;
- 21. Failure to comply with the reporting requirements as set forth in § 54.1-2817 for registered funeral trainees;
- 22. Failure to provide proper and adequate supervision and training instruction to registered funeral trainees as required by regulations of the Board;
- 23. Violating any statute or regulation of the Board regarding the confidentiality of information pertaining to the deceased or the family of the deceased or permitting access to the body in a manner that is contrary to the lawful instructions of the next-of-kin of the deceased; and
- 24. Failure to include, as part of the general price list for funeral services, a disclosure statement notifying the next of kin that certain funeral services may be provided off-premises by other funeral service providers.
 - § 54.1-2812. Itemized statement and general price list of funeral expenses to be furnished.

Every person licensed pursuant to the provisions of this chapter shall furnish a written general price list and a written itemized statement of charges in connection with the care and disposition of the body of a deceased person.

Individuals inquiring in person about funeral arrangements or the prices of funeral goods shall be given the general price list. Upon beginning discussion of funeral arrangements or the selection of any funeral goods or services, the general price list must shall be offered by the funeral licensee.

The itemized statement shall include, but not be limited to, the following charges: casket, other funeral merchandise, vault or other burial receptacle, facilities used, transportation costs, embalming,

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preparation of the body, other professional services used and disclosure statements required by the Federal Trade Commission, which shall be set forth in a clear and conspicuous manner.

Further, there shall be included a statement of all anticipated cash advances and expenditures requested by the person contracting for the funeral arrangements and such other items as required by regulation of the Board of Funeral Directors and, Embalmers and Cemeteries. The statement shall be furnished to the person contracting for funeral arrangements at the time such arrangements are made if the person is present and, if not present, no later than the time of the final disposition of the body.

The general price list and itemized statement of funeral expenses shall comply with forms prescribed by regulation of the Board. All regulations promulgated herewith shall promote the purposes of this section.

§ 54.1-2819. Registration of surface transportation and removal services.

Any person, private business or funeral service establishment, except a common carrier engaged in interstate commerce, the Commonwealth and its agencies, shall apply for and receive a registration as a transportation and removal service in order to be authorized to engage in the business of surface transportation or removal of dead human bodies in this Commonwealth.

Surface transportation and removal services shall not arrange or conduct funerals, provide for the care or preparation, including embalming, of dead human bodies, or sell or provide funeral-related goods and services without the issuance of a funeral service establishment license.

The Board of Funeral Directors and, Embalmers and Cemeteries shall promulgate regulations for such registration including proper procedures in the handling of all dead human bodies being transported, application process for registration, and establishment of registration fees. These regulations shall not require the use of a casket for transportation. Any licensed funeral service establishment shall receive such registration as part of its funeral service establishment license without the necessity of additional application or fee. However, such establishment shall be subject to the regulations pertaining to transportation and removal services.

All registrations as a surface transportation and removal service shall be renewed annually, and no person, private business or funeral service establishment shall engage in the business as a surface transportation and removal service without holding a valid registration.

Any surface transportation or removal service which is not registered or persons who knowingly engage in transportation or removal services without registration shall be subject to the disciplinary actions provided in this chapter.

This section shall not be construed to prohibit private individuals from transporting or removing the remains of deceased family members and relatives either by preference or in observation of religious beliefs and customs.

§ 54.1-2821. Exemptions.

This article shall not apply to the preneed sale of cemetery services or supplies regulated under Article 3.2 (§ 57-35.11 et seq.) of Chapter 3 of Title 57 6 of this chapter.

Article 6.

Cemetery Operators, Perpetual Care Trust Funds and Preneed Burial Contracts.

§ 54.1-2830. Cemetery operators required to register with Board.

No person shall engage in the business of a cemetery company in the Commonwealth without first having registered with the Board. The cemetery company shall renew its registration as required by the Board. Such registration and such renewal of registration shall (i) be on forms prescribed by the Board and shall include the name and address of each cemetery in Virginia in which the cemetery company has a business interest, the name and address of all officers and directors of the cemetery company, the registered agent for the cemetery company, the compliance agent, and any other information as the Board may require consistent with the purposes of this article and (ii) include a fee as prescribed by the Board for each cemetery in Virginia in which the cemetery company has a business interest. The cemetery company shall notify the Board of any change in the information required to be filed within thirty days after the change. A new registration shall be required if there is a change in the ownership of the cemetery company or if there is a change in the compliance agent designated by the cemetery company. All fees shall be remitted to the State Treasurer and shall be placed to the credit and special fund of the Board to be used in the administration of this article.

§ 54.1-2831. Exemptions.

A. The provisions of this article shall not apply to cemeteries wholly owned and operated by a county, city or town; a church; or a nonstock corporation not operated for profit if the corporation (i) does not compensate any officer or director except for reimbursement of reasonable expenses incurred in the performance of his official duties, (ii) does not sell or construct or directly or indirectly contract for the sale or construction of vaults or lawn, garden or mausoleum crypts and (iii) uses proceeds from the sale of all graves and entombment rights for the sole purpose of defraying the direct expenses of maintaining the cemetery.

B. The provisions of this article shall not apply to any community cemetery not operated for profit if

the cemetery (i) does not compensate any officer or director except for reimbursement of reasonable expenses incurred in the performance of his official duties, (ii) uses the proceeds from the sale of the graves and mausoleum spaces for the sole purpose of defraying the direct expenses of maintaining its facilities, and (iii) was chartered by the Commonwealth prior to 1850 A.D.

C. The provisions of this article regarding preneed burial contracts shall not apply to prearranged funeral plans regulated under Article 5 of this chapter.

§ 54.1-2832. Certain representations unlawful; perpetual care trust fund required.

It shall be unlawful to sell or offer for sale in the Commonwealth any grave or entombment right in a cemetery and, in connection therewith, to represent to the public in any manner, express or implied, that the entire cemetery or any grave or entombment right therein will be perpetually cared for, unless adequate provision has been made for the perpetual care of the cemetery and all graves and entombment rights therein as to which such representation has been made.

Each cemetery company shall establish in a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth an irrevocable trust fund in the amount of at least \$25,000 before the first lot, parcel of land, burial or entombment right is sold. This fund shall be designated the perpetual care trust fund.

§ 54.1-2833. Who may serve as trustee of perpetual care trust fund.

A. The trustee of the perpetual care trust fund shall be appointed by the person owning, operating, or developing a cemetery company. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth, the trustee shall be approved by the Board.

A trustee that is not a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth shall apply to the Board for approval, and the Board shall approve the trustee when he has become satisfied that the applicant:

1. Employs and is directed by persons who are qualified by character, experience, and financial responsibility to care for and invest the funds of others;

2. Will perform its duties in a proper and legal manner and the trust funds and interest of the public generally will not be jeopardized; and

3. Is authorized to do business in the Commonwealth and has adequate facilities to perform its duties as trustee.

B. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth, the trustee shall furnish a fidelity bond with corporate surety thereon, payable to the trust established, which shall be designated "Perpetual Care Trust Fund for (name of cemetery company)," in a sum equal to not less than 100 percent of the value of the principal of the trust estate at the beginning of each calendar year, which bond shall be deposited with the Board.

C. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth and if it appears that an officer, director or employee of the trustee is dishonest, incompetent, or reckless in the management of a perpetual care trust fund, the Board may bring an action in the appropriate court to remove the trustee and to impound the property and business of the trustee as may be reasonably necessary to protect the trust funds.

§ 54.1-2834. Application of Title 26.

Trustees appointed pursuant to this article shall be governed in their investment of trust funds by §§ 26-40 through 26-45.1 of Chapter 3 of Title 26, except as provided otherwise herein.

§ 54.1-2835. Deposit in perpetual care trust fund required upon sale of graves, etc.

Each cemetery company shall deposit a minimum of ten percent of the receipts from the sale of graves and above-ground crypts and niches, excluding below-ground burial vaults, in cash in the perpetual care trust fund within thirty days after the close of the month in which such receipts are paid to it. If payment is made on an installment or deferred payment basis, the cemetery company shall have the option of paying ten percent of the amount of principal in each payment received into the perpetual care trust fund.

§ 54.1-2836. Additional deposit not required upon subsequent sale of same grave, crypt or niche.

If ten percent of the sales price of a grave or above-ground crypt or niche has been deposited in a perpetual care trust fund, no deposit shall be required on subsequent sales of the same grave, crypt or niche.

§ 54.1-2837. Recovery of original perpetual care trust fund deposit.

The trustee shall allow the cemetery company to recover its original deposit by withholding the money that would otherwise be required to be deposited in the perpetual care trust fund until the amount of the original deposit is recovered if the cemetery company has (i) deposited in the perpetual care trust fund a sum equal to twice the amount of the original deposit, exclusive of the original deposit

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and (ii) notified the trustee and the Board thirty days in advance of its intent to recover the original perpetual care trust fund deposit. The notification shall include certification by the cemetery company that the recovery of the initial deposit has not previously been made from the perpetual care trust fund.

Once the cemetery company has recovered an amount equal to the original deposit, deposits to the perpetual care trust fund shall be resumed.

§ 54.1-2838. Use of income from perpetual care trust fund.

The income from the perpetual care trust fund shall be used solely and exclusively for the perpetual care of the cemetery.

§ 54.1-2839. Financial records required.

The cemetery company shall maintain within this Commonwealth detailed accounts of all transactions, receipts and accounts receivable subject to the trust requirement and of all expenditures of income from the perpetual care trust fund. Records shall be subject to examination by the Board.

§ 54.1-2840. Financial report and written assurance required for perpetual care trust funds.

A. Within four months after the close of its fiscal year, the cemetery company shall report the following information to the Board:

1. The total amount of principal in the perpetual care trust fund.

- 2. The securities in which the perpetual care trust fund is invested and the amount of cash on hand as of the close of the fiscal year.
- 3. The income received from the perpetual care trust fund, and the sources of such income, during the preceding fiscal year.
- 4. An affidavit executed by the compliance agent that all applicable provisions of this article relating to perpetual care trust funds have been complied with.
 - 5. The total receipts subject to the ten percent trust requirement.

6. All expenditures from the perpetual care trust fund.

- 7. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth, proof that the required fidelity bond has been secured and that it is in effect.
 - 8. A separate total of expenses incurred for the perpetual care of cemeteries.
- B. The cemetery company shall employ an independent certified public accountant to audit and provide assurance that, with regard to the total of all receipts subject to § 54.1-2835, the report of the owner, operator or developer is true and correct and that the required deposits to the perpetual care trust fund have been made on a timely basis. Such audit shall provide full disclosure of any transactions between the perpetual care trust fund and any directors, officers, stockholders, employees, or relatives thereof, and shall include a description of the transactions, the parties involved, the dates and amounts of the transactions, and the reasons for the transactions.
- C. The information required to be filed hereunder with the Board shall be exempt from the Privacy Protection Act (§ 2.1-377 et seq.).
- § 54.1-2841. Deposit in preneed trust required upon sale of property or services not to be delivered within 120 days.
- A. Each cemetery company shall deposit into a trust fund the receipts from the sale of property or services purchased pursuant to a preneed burial contract, when the delivery thereof will be delayed more than 120 days from the initial payment on said contract. The cemetery company shall establish a special trust fund in a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth. The trust shall bear the legend "Preneed Trust Account." Deposits are required to be made by the cemetery company within thirty days after the close of the month in which said receipts are paid to it.
- B. If the purchaser's payment is made on an installment or deferred payment basis, the seller shall have the option of paying each payment received into the preneed trust account.

§ 54.1-2842. Who may serve as trustee of preneed trust fund.

- A. The trustee of the preneed trust fund shall be appointed by the person owning, operating, or developing a cemetery company. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth, the trustee shall be approved by the Board.
- A trustee that is not a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth shall apply to the Board for approval, and the Board shall approve the trustee once the Board is satisfied that the applicant:

1. Employs and is directed by persons who are qualified by character, experience, and financial responsibility to care for and invest the funds of others;

- 2. Will perform its duties in a proper and legal manner and that the trust funds and interest of the public generally will not be jeopardized; and
- 3. Is authorized to do business in the Commonwealth and has adequate facilities to perform its duties as trustee.

- B. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth, the trustee shall furnish a fidelity bond with corporate surety thereon, payable to the trust established, which shall be designated "Preneed Trust Fund for (name of cemetery company)," in a sum equal to but not less than 100 percent of the value of the principal of the trust estate at the beginning of each calendar year, which bond shall be deposited with the Board.
- C. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth and if it appears that an officer, director or employee of the trustee is dishonest, incompetent, or reckless in the management of a preneed trust fund, the Board may bring an action in the appropriate courts to remove the trustee and to impound the property and business of the trustee as may be reasonably necessary to protect the trust funds. The cemetery company shall notify the Board of any change in the trustee within thirty days of such change.
- § 54.1-2843. Itemized statement and general price list of burial expenses to be furnished; solicitations prohibited.

Every cemetery company registered pursuant to the provisions of this article shall furnish a written general price list and a written itemized statement of charges in connection with burial services provided by the cemetery company.

Individuals inquiring in person about burial arrangements or the prices of property or services shall be given the general price list. Upon beginning discussion of burial arrangements or the selection of any property or services, the general price list shall be offered by the cemetery company.

The itemized statement shall include, but not be limited to, the following charges: burial vaults or other burial receptacles, facilities used, and other professional services used, which shall be set forth in a clear and conspicuous manner.

Further, there shall be included a statement of all anticipated case advances and expenditures requested by the person contracting for the burial services and such other items as required by regulation of the Board. The statement shall be furnished to the person contracting for burial services at the time such arrangements are made if the person is present and, if not present, no later than the time of the final disposition of the body.

The general price list and itemized statement of burial expenses shall comply with forms prescribed by regulation of the Board. All regulations promulgated herewith shall promote the purposes of this section.

No cemetery company registered pursuant to the provisions of this chapter shall make any solicitation at-need or preneed solicitation using in-person communication by the cemetery company, his agents, assistants or employees. However, general advertising and preneed solicitations, other than in-person communication, shall be allowed.

§ 54.1-2844. Requirements of preneed burial contracts.

- A. It shall be unlawful for any person residing or doing business with the Commonwealth, to make, either directly or indirectly by any means, a preneed burial contract unless the contract:
- 1. Is made on forms prescribed by the Board and is written in clear understandable language and printed in easy-to-read type, size and style;
- 2. Identifies the seller, seller's license number, contract buyer and person for whom the contract is purchased if other than the contract buyer;
 - 3. Contains a complete description of the property or services purchased;
 - 4. Clearly discloses whether the price of the property or services bought is guaranteed;
- 5. States for funds required to be trusted pursuant to § 54.1-2841, the amount to be trusted; the name of the trustee; the disposition of interest; the fees, expenses and taxes which may be deducted from the interest; and a statement of the buyer's responsibility for taxes owned on the interest;
- 6. Contains the name, address and telephone number of the Board and lists the Board as the regulatory agency which handles consumer complaints;
- 7. Provides that any person who makes payment under the contract may terminate the agreement at any time prior to the furnishing of the property or supplies contracted for; if the purchaser terminates the contract within thirty days of execution, the purchaser shall be refunded all consideration paid or delivered, together with any interest or income accrued thereon; if the purchaser terminates the contract after thirty days, purchaser shall be refunded any amounts required to be deposited under § 54.1-2841, together with any interest or income accrued thereon;
- 8. Provides that if the particular property and services specified in the contract are unavailable at the time of delivery, the seller shall be required to furnish supplies and services similar in size and style and at least equal in quality of material and workmanship and that the representative of the deceased shall have the right to choose the property or services to be substituted;
 - 9. Discloses any additional costs that the purchaser may be required to pay at-need;
 - 10. Complies with all disclosure requirements imposed by the Board; and

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11. Be executed in duplicate and a signed copy given to the buyer.

If the contract seller will not be furnishing the property and services to the purchaser, the contract seller shall attach to the preneed burial contract a copy of the seller's agreement with the provider.

§ 54.1-2845. Identification of specific funds.

Specific funds deposited in the trust account shall be identified in the records of the seller by the contract number and by the name of the buyer. The trustee may commingle the deposits in any preneed trust account for the purposes of the management thereof and the investment of funds therein.

§ 54.1-2846. Specific funds and income to remain in preneed trust account; exception.

Specific funds shall remain intact until the property is delivered or services performed as specified in the contract. The net income from the preneed trust account, after payment of any appropriate trustee fees, commissions, and costs, shall remain in the account and be reinvested and compounded. Any trustee fees, commissions, and costs in excess of income shall be paid by the cemetery company and not from the trust. However, the trustee shall, as of the close of the cemetery company's fiscal year, upon written assurance to the trustee of a certified public accountant employed by the seller, return to the seller any income in the seller's account which, when added to the specific funds, is in excess of the current cost requirements for all undelivered property or services included in the seller's preneed burial contracts. The seller's cost requirements shall be certified in its records by an affidavit sworn by the compliance agent and shall be determined by the seller as of the close of the cemetery company's fiscal year.

§ 54.1-2847. Disbursement of trust funds upon performance of contract.

A. Upon performance of the preneed burial contract, the seller shall certify to the trustee by affidavit the amount of specific funds in the trust, identified to the contract performed, which the trustee shall pay to the seller. The seller may in its records itemize the property or services and the consideration paid or to be paid therefor, to which the deposit requirements of this article apply. In such case the seller may, upon certification to the trustee of performance or delivery of such property or services and of the amount of specific trust funds identified in its records to such items, request disbursement of that portion of the specific funds deposited pursuant to the contract, which the trustee shall pay to the seller.

B. If the preneed contract provides for two or more persons, the seller may, at its option, designate in its records the consideration paid for each individual in the preneed burial contract. In such case, upon performance of that portion of the contract identified to a particular individual, the seller may request, by certification in the manner described above, the disbursement of trust funds applicable to

that portion of the contract, which the trustee shall pay to the seller.

§ 54.1-2848. Seller required to keep records.

Each seller of a preneed burial contract shall record and keep within the Commonwealth detailed accounts of all contracts and transactions regarding preneed burial contracts, and the records shall be subject to examination by the commissioner of revenue.

§ 54.1-2849. Financial report and written assurance required for preneed trust accounts.

- A. The cemetery company shall report the following information to the Board within four months following the cemetery company's fiscal year:
 - 1. The total amount of principal in the preneed trust account;
 - 2. The securities in which the preneed trust account is invested;
- 3. The income received from the trust and the source of that income during the preceding fiscal year;
- 4. An affidavit executed by the compliance agent that all provisions of this chapter applicable to the seller relating to preneed trust accounts have been complied with;
 - 5. The total receipts required to be deposited in the preneed trust account;
 - 6. All expenditures from the preneed trust account; and
- 7. If the trustee is other than a bank, savings institution or other federally insured investment financial institution doing business in the Commonwealth, proof that the required fidelity bond has been secured and that it is in effect.
- B. The cemetery company shall employ an independent certified public accountant to audit and provide assurance that all of the cash receipts from the sale of preneed property or services not to be delivered or performed within 120 days after receipt of the initial payment on account has been deposited in the account within thirty days after the close of the month in which the payment was received. Such audit shall provide full disclosure of any transactions between the preneed trust account and any directors, officers, stockholders, employees, or relatives thereof, and shall include a description of the transactions, the parties involved, the dates and amounts of the transactions, and the reasons for the transactions.
- C. The information required to be filed hereunder with the Board shall be exempt from the Privacy Protection Act ($\S 2.1-377$ et seq.).
 - § 54.1-2850. Inclusion of property and services to be delivered within 120 days.
- Nothing in this article shall be deemed to prohibit the sale within the preneed burial contract of

property or services to be delivered within 120 days after the receipt of the initial payment on account of such sale. Contracts may specify separately the total consideration paid or to be paid for preneed property or services not to be delivered or provided within 120 days after receipt of initial payment. If a contract does not so specify, the seller shall deposit forty percent of the total consideration for the entire contract.

§ 54.1-2851. Breach of contract by seller; trust to be single purpose trust.

If, after a written request, the seller fails to perform its contractual duties, the purchaser, executor or administrator of the estate, or heirs, or assigns or duly authorized representative of the purchaser shall be entitled to maintain a proper legal or equitable action in any court of competent jurisdiction. No other purchaser need be made a party to or receive notice of any proceeding brought pursuant to this section relating to the performance of any other contract.

The trust shall be a single purpose trust, and the trust funds shall not be available to any creditors as assets of the seller.

§ 54.1-2852. Trustee may rely on certifications and affidavits.

The trustee may rely upon all certifications and affidavits made pursuant to or required by the provisions of this article and shall not be liable to any person for such reasonable reliance.

§ 54.1-2853. Transfer of trust funds to another trustee.

The seller may, upon notification in writing to the trustee, and upon such other terms and conditions as the agreement between them may specify, transfer its account funds to another trustee qualified under the provisions of this article. The trustee may, upon notification in writing to the seller, and upon such other terms and conditions as the agreement between them may specify, transfer the trust funds to another trustee qualified under the provisions of this article.

§ 54.1-2854. Use of trustee's name in advertisements.

No person subject to the provisions of this article shall use the name of the trustee in any advertisement or other public solicitation without written permission of the trustee.

§ 54.1-2855. Construction and development of mausoleums and garden crypts.

Within four years after the date of the first sale, a cemetery company or other seller of mausoleums and garden crypts shall be required to start construction or development of that undeveloped ground or section of a mausoleum or garden crypt in which sales, contracts for sales, or agreements for sales are being made. The construction or development of such undeveloped mausoleum section or garden crypt shall be completed within five years after the date of the first such sale. Completed construction shall be deemed performance for purposes of this article.

§ 54.1-2856. Waiver of article void.

Any provision of any contract which purports to waive any provision of this article shall be void.

§ 54.1-2857. Violation a misdemeanor.

It shall be unlawful for any person to violate any of the provisions of this article. Any such violation shall be deemed a Class 1 misdemeanor and any person convicted of such violation shall be punished in accordance with the provisions of § 18.2-11.

- 2. That Article 3.2 (§§ 57-35.11 through 57-35.35) of Chapter 3 of Title 57 of the Code of Virginia is repealed.
- 3. That the provisions of this act shall become effective on January 1, 1999, except that § 54.1-2802 shall become effective in due course.
- 4. That the Board of Funeral Directors, Embalmers and Cemeteries shall adopt final regulations in accordance with Chapter 28 (§ 54.1-2800 et seq.) of Title 54.1 on or before January 1, 1999.
- 5. That provisions of Article 3.2 (§ 57-35 et seq.) of Chapter 3 of Title 57 shall remain in effect until January 1, 1999, when the Board for Funeral Directors, Embalmers and Cemeteries shall regulate cemetery companies and implement its regulations in accordance with Chapter 28 (§ 54.1-2800 et seq.) of Title 54.1.
- 1273 6. That the Board for Funeral Directors, Embalmers and Cemeteries shall study the adequacy of 1274 current trusting requirement for perpetual care trusts and report their findings and 1275 recommendations to the Governor and General Assembly on July 1, 2000.