Noah Montano

# **AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

# WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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	SECTION I:	GENERAL	<b>INFORMATION</b>
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{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

**Date Prepared**: 2/14/2025 *Check all that apply:* 

Bill Number: SB 368 Original X Correction \_\_\_\_ Amendment \_\_\_ Substitute \_\_\_

**Agency Name** 

Elizabeth "Liz" Stefanics, and Code Regulation and Licensing

**Sponsor:** Marian Matthews **Number**: Department, 420

Short Traditional and Non-Traditional Person Writing Jen Rodriguez

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# **SECTION II: FISCAL IMPACT**

## **APPROPRIATION** (dollars in thousands)

Appropr	iation	Recurring	Fund Affected	
FY25	FY26	or Nonrecurring		
N/A	N/A	N/A	N/A	

(Parenthesis ( ) indicate expenditure decreases)

# **REVENUE** (dollars in thousands)

	Recurring	Fund		
FY25	FY26	FY27	or Nonrecurring	Affected
N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) indicate revenue decreases)

#### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	60.0*	**	**	Nonrecurring/Partially recurring	Board of Funeral Services

(Parenthesis ( ) Indicate Expenditure Decreases)

## **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: Senate Bill 368 (SB368)

SB368 seeks to expand the definition of "cremation" to include reduction by chemical agent or biological process in several sections of existing law. These processes are described as non-traditional cremation.

Section 1 would amend the "Right to authorize cremations; Definitions" § 24-12A-1, NMSA 1978, expanding the term "cremate" to include, in addition to the current reduction by direct flame, chemical agents or biological processing to reduce a human body to a residue or soil that may include bone fragments. It also requires that an adult who wishes to be cremated must specify in a written or express statement the type of cremation they wish to be used.

Section 2 amends the Endowed Care Cemetery Act, "Definitions" § 58-17-3, NMSA 1978 so that "cremated remains" would mean remains after reduction of a dead human body by any cremation process. "Cremation" would mean reducing remains by direct flame, chemical agent, or biological processing and may include a mechanical or thermal process whereby the bone fragments are pulverized. "Crematory" would mean every place or premise that is used for cremation and pulverization of remains.

Section 3 amends the Funeral Services Act (Act), "Definitions" § 61-32-3, NMSA 1978, providing new terms and definitions: (1) "alkaline hydrolysis" is defined as the process of reducing a dead human body to its elemental components using water, alkaline chemicals, and heat inside a watertight vessel; (2) "natural organic reduction" is defined as the biological process of reducing a dead human body to the body's elemental components using organic materials and heat inside a watertight vessel; (3) "nontraditional cremation" means the reduction of a dead human body to the body's elemental components, whether in ash or soil, through a chemical or biological process, including alkaline hydrolysis and natural organic reduction; and (4) "traditional cremation" means the reduction of a dead human body by direct flame to a residue that may include bone fragments. This section would also expand the definition of "cremation" as described in Section 1 above.

Section 4 expands the Act, "Licensure of establishments; Funeral establishments; commercial establishments; direct disposition establishments; crematories" § 61-32-3, NMSA 1978. Crematory licenses would include specific requirements for both traditional and non-traditional cremation processes. For crematories that perform non-traditional cremations, a room that houses the necessary appliances, containers and machinery for either alkaline hydrolysis or natural organic reduction and the necessary supplies must be present.

Section 5 reiterates the requirement in Section 1 that one must specify the type of cremation they want employed in the Act. §61-32-19, NMSA 1978.

Section 6 expands the crematory scope of practice to include nontraditional cremation of dead human bodies and pulverization of cremains in Section 61-32-19.1 of the Act.

The effective date of the legislation is June 20, 2025.

#### FISCAL IMPLICATIONS

NOTE 1: A direct fiscal impact is anticipated for the Regulation and Licensing Department (RLD) if SB368 is enacted. Necessary additions and updates would have to be made to the RLD's online licensing system (NM Plus) which is utilized by the RLD for Crematory Establishment licenses under the Act, both licensing and compliance/inspection systems will need to be updated. Contracting fees for information technology development and implementation of the necessary changes to the NM Plus licensing system are estimated to be sixty thousand dollars (\$60,000) in FY26.

NOTE 2: Funeral Services inspectors would need to be trained on the proper equipment and supplies needed for this additional method. Such training will have a fiscal impact, but it is unclear what the cost of such training would be, and what would be required for ongoing training.

An administrative rulemaking process, including a public hearing and all required publication of notices and proposed rules, would be required to update and amend current administrative rules issued pursuant to the Act if SB368 is enacted. The RLD believes it can absorb the costs associated with the rulemaking processes for this bill within existing resources.

#### SIGNIFICANT ISSUES

The Board of Funeral Services (Board) has expressed several concerns with SB368:

Changing the definition of "cremation" is problematic. "Cremation" has its own definition. This creates ambiguity. The general public and estate planners are generally only familiar with traditional cremation. Many are not even aware of "Chemical agent or biological method". It would likely create ambiguity and open the door to abuse and fraud. What they are providing for is alkaline hydrolysis and body composting. This is quite different than cremation. It also does not address licensure or other safeguards for the public.

It is actually conflicting with current cremation law which works quite well. They are literally changing the definition of a well-established term. Cremation is cremation by flame. Alkaline hydrolysis is a chemical process. Body composting is a completely different process. This would also cause the need to change death certificates.

This is a very sensitive subject at a very sensitive time. Proper disposition of the human body needs the proper safeguards in place. SB368 actually weakens current protections. No one is against change, just against the lack of regulation when change occurs.

While alternative methods of disposition should be addressed legislatively, the protection of the public should be of utmost concern. Proper licensure, inspections, legislative authority are necessary. Not enacting this bill would hurt no one.

#### PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

# CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

**TECHNICAL ISSUES** 

# OTHER SUBSTANTIVE ISSUES

# **ALTERNATIVES**

# WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL Cremations would continue to be performed under the traditional method.

# **AMENDMENTS**