

1 **State of Arkansas**
2 **79th General Assembly**
3 **Regular Session, 1993**
4 **By: Senator Hardin**

A Bill

ACT 406 OF 1993
SENATE BILL 7

For An Act To Be Entitled

8 "AN ACT TO AMEND ARKANSAS CODE 23-40-112 (a) (1) TO ALLOW
9 PREPAID FUNERAL BENEFIT TRUST FUNDS TO BE INVESTED IN ANY
10 BONDS OF A SCHOOL DISTRICT IN THIS STATE; AND FOR OTHER
11 PURPOSES."

Subtitle

14 "AN ACT TO ALLOW PREPAID FUNERAL BENEFIT TRUST FUNDS TO BE
15 INVESTED IN ANY BONDS OF A SCHOOL DISTRICT IN THIS STATE."

17 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

19 SECTION 1. Arkansas Code 23-40-112 (a) (1) is amended to read as follows:

20 "(1) The trustees shall invest the trust fund only in the following:

21 (A) Demand deposits, savings accounts certificates of deposits,
22 and all other accounts which are insured by the Federal Deposit Insurance
23 Corporation (FDIC) or Federal Savings and Loan Insurance Corporation (FSLIC);

24 (B) Bonds and obligations which are insured by, fully guaranteed
25 as to principal and interest by, and due from the United States Government or
26 any of its agencies, including the Federal National Mortgage Association and
27 the Government National Mortgage Association, and any repurchase obligations
28 which are secured by any of the foregoing;

29 (C) Corporate, state, municipal, or political subdivision bonds
30 or obligations which are rated Aa or better by Moody's or AA or better by
31 Standard & Poor's rate services or bonds of any school district in this state
32 (provided however, no more than thirty percent (30%) of the total trust assets
33 may be invested in such school bonds); and

34 (D) Mutual funds or common trust funds whose portfolio is made up
35 of investments that are described in subdivisions (a) (1) (A) - (C) of this
36 section."

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SECTION 2. All provisions of this act of a general and permanent nature are amendatory to the Arkansas Code of 1987 Annotated and the Arkansas Code Revision Commission shall incorporate the same in the Code.

SECTION 3. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are declared to be severable.

SECTION 4. All laws and parts of laws in conflict with this act are hereby repealed.

/s/ Senator Hardin

APPROVED: 03-09-93

