

1 State of Arkansas
2 88th General Assembly
3 Regular Session, 2011
4

As Engrossed: S3/29/11

A Bill

SENATE BILL 790

5 By: Senators P. Malone, J. Dismang
6 By: Representative L. Cowling
7

For An Act To Be Entitled

8
9 AN ACT TO AMEND SECTION 5 OF ACT 590 OF 2011
10 REGARDING CEMETERIES; AND FOR OTHER PURPOSES.
11

Subtitle

12
13 TO AMEND SECTION 5 OF ACT 590 OF 2011 TO
14 AUTHORIZE THE FEDERAL SAVINGS BANK TO
15 SERVE AS TRUSTEES OF CEMETERY MAINTENANCE
16 FUNDS.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
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22 SECTION 1. Arkansas Code § 20-17-1014 as amended by Section 5 of Act
23 590 of 2011 is amended to read as follows:

24 20-17-1014. Permanent Maintenance Fund Trustees.

25 (a) The net income from the permanent maintenance fund shall only be
26 used for general maintenance, administration, and preservation of the
27 perpetual care cemetery.

28 (b) A cemetery company shall establish a permanent maintenance fund
29 with or transfer the permanent maintenance fund to:

30 (1) A state or national bank or federal savings bank with trust
31 powers;

32 (2) Three (3) trustees, if:

33 (A) All trustees that make disbursements from the trust
34 fund deposit with the Arkansas Cemetery Board a fidelity bond with corporate
35 surety payable to the trust fund in a penal sum not less than one hundred
36 percent (100%) of the value of the trust fund principal at the beginning of



1 *each calendar year; and*

2 *(B) No more than one (1) of the trustees has a direct or*
3 *indirect financial interest in the perpetual care cemetery; or*

4 *(3) An individual trustee that on behalf of the cemetery company*
5 *deposits all permanent maintenance funds directly into a savings account or*
6 *certificate of deposit in a state or national bank or savings and loan*
7 *association in this state not less than forty-five (45) days after collection*
8 *if:*

9 *(A) The funds deposited are federally insured;*

10 *(B) The funds are restricted to prevent the principal*
11 *amount of the funds from being withdrawn without the written approval of and*
12 *on a form approved by the Securities Commissioner; and*

13 *(C) Not less than one (1) time per year the net income*
14 *from the funds may be withdrawn by the individual trustee on behalf of the*
15 *cemetery company for purposes permitted by this subchapter.*

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/s/P. Malone

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APPROVED: 04/04/2011

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