

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

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14 *TO AMEND SECTION 5 OF ACT 590 OF 2011 TO*  
15 *AUTHORIZE THE FEDERAL SAVINGS BANK TO*  
16 *SERVE AS TRUSTEES OF CEMETERY MAINTENANCE*  
17 *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11 *amount of the funds from being withdrawn without the written approval of and*  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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17 */s/P. Malone*

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