

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

1 State of Arkansas
2 86th General Assembly
3 Regular Session, 2007
4

As Engrossed: S3/7/07 S3/12/07

A Bill

SENATE BILL 825

5 By: Senators Wilkins, Crumbly
6 By: Representatives Blount, E. Brown, Davis, Harrelson, House, W. Lewellen, J. Roebuck, L. Smith
7
8

For An Act To Be Entitled

10 AN ACT TO PROVIDE ASSISTANCE WITH FUNERAL COSTS
11 FOR NEEDY ARKANSANS; TO CREATE A BOARD OF
12 DIRECTORS TO STUDY METHODS FOR PROVIDING FUNERAL
13 ASSISTANCE TO NEEDY ARKANSANS; AND FOR OTHER
14 PURPOSES.

Subtitle

16 AN ACT TO PROVIDE ASSISTANCE WITH
17 FUNERAL COSTS FOR NEEDY ARKANSANS AND TO
18 CREATE A BOARD OF DIRECTORS TO STUDY
19 METHODS FOR PROVIDING FUNERAL ASSISTANCE
20 TO NEEDY ARKANSANS.
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24 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
25

26 SECTION 1. Arkansas Code Title 17, Chapter 29 is amended to add an
27 additional subchapter to read as follows:

28 17-29-801. Title.

29 This subchapter shall be known and may be cited as the "Final Act
30 Program Law".
31

32 17-29-802. Findings.

33 The General Assembly finds that:

34 (1) Funeral costs have increased rapidly during the past decade;

35 (2) The state's neediest citizens are most affected by rising
36 funeral costs;



1 (3) Unexpected funeral costs coupled with inability to pay those
2 costs needlessly exacerbates the trauma of losing a loved one;

3 (4) Even those needy people with funeral insurance policies find
4 that those polices have fallen behind the pace of rising costs;

5 (5) States such as Illinois have developed programs to assist
6 their neediest citizens with the costs of funerals; and

7 (6) A state-supported funeral benefit fund for the needy should
8 be implemented in Arkansas.

9
10 17-29-803. Definitions.

11 As used in this subchapter:

12 (1) "Development corporation" means a community development
13 corporation that is a tax-exempt organization under § 501(a) of the Internal
14 Revenue Code of 1986, as in effect on January 1, 2007;

15 (2) "Faith-based institution" means a religious organization,
16 such as a church or other church-sponsored entity;

17 (3) "Local agent" means a funeral establishment, community
18 development corporation, and a nonprofit organization that participates in
19 enrolling individuals in the Final Act Program;

20 (4) "Local enrollment site" means a place designated by the
21 Final Act Program Board of Directors for the purpose of enrolling members of
22 the Final Act Program;

23 (5) "Nonprofit organization" means a nonprofit organization that
24 is a tax-exempt organization under § 501(a) of the Internal Revenue Code of
25 1986, or other person with a similar eligibility under the two (2) acts
26 specified in subdivision (c)(1)(B) of this section;

27 (6) "Regional district" means one (1) of the four (4)
28 congressional districts of the state;

29 (7) "Regional processing center" means a place within a regional
30 district that is designated by the board to receive reports from local
31 agents; and

32 (8) "State certification office" means the state agency that is
33 designated by the board to receive reports from the regional centers.

34
35 17-29-804. Final Act Program Board of Directors – Creation.

36 (a) The Final Act Program Board of Directors is created.

1 (b) The board shall consist of nine (9) voting members to be appointed
2 as follows:

3 (1) One (1) at-large member appointed by the Governor;

4 (2) Two (2) members who are residents of Regional District I
5 appointed by the Governor;

6 (3) Two (2) members who are residents of Regional District II
7 appointed by the Speaker of the House of Representatives;

8 (4) One (1) member who is a resident of Regional District III
9 appointed by the Speaker of the House of Representatives;

10 (4) One (1) member who is a resident of Regional District III
11 appointed by the President Pro-Tempore of the Senate; and

12 (6) Two (2) members who are residents of Regional District IV
13 appointed by the President Pro-Tempore of the Senate.

14 (c) The Governor shall select a chair from its membership.

15 (d) The board shall meet at least one (1) time each month.

16 (e)(1) A majority of the membership of the board shall constitute a
17 quorum.

18 (2) A majority vote of those members present shall be required
19 for any action of the board.

20 (f) Vacancies on the board due to death, resignation, removal, or
21 other causes shall be filled in the same manner as the original appointment
22 for the unexpired portion of the term.

23 (g) Each member shall receive expense reimbursement and stipends in
24 accordance with § 25-16-904.

25
26 17-29-805. Final Act Program Board of Directors – Powers and duties.

27 The Final Act Program Board of Directors shall:

28 (1) Initiate in Crittenden, Cross, St. Francis, Lee,
29 Mississippi, Monroe, and Phillips counties, a demonstration Final Act Program
30 of interview surveys to determine:

31 (A) The number of persons eligible for the Final Act
32 Program in the seven (7) demonstration counties;

33 (B) The number of eligible persons in the seven (7)
34 demonstration counties who wish to participate in the final act program; and

35 (C) The projected cost of funeral services for the
36 eligible persons in the seven (7) demonstration counties who wish to

1 participate in the Final Act Program;

2 (2) Assist the Department of Health and Human Services in
3 linking the Final Act Program to existing programs;

4 (3) Conduct a continuing study to assess the need for Final Act
5 Program services; and

6 (4)(A) Prepare quarterly reports on data collected by the board
7 to be presented to the Governor and the cochairs of the Legislative Council.

8 (B) The final quarterly report shall be presented on or
9 before October 1, 2009, and at that time the board shall cease to exist.

10
11 17-29-806. Eligibility for Final Act Program insurance.

12 Eligibility for the Final Act Program insurance requires that the
13 person:

14 (1) Complete an application developed and supplied by the Final
15 Act Program Board;

16 (2) Be a resident of Arkansas; and

17 (3)(A) Pay an enrollment fee of two dollars (\$2.00) per person
18 per month.

19 (B) For a person that has an income below the federal
20 poverty level, as it exists on January 1, 2007, the Department of Health and
21 Human Services may pay up to fifty percent (50%) of the fee required under
22 subdivision (3)(A) of this section.

23
24 17-29-807. Final Act Program Benefit Fund.

25 (a) There is established on the books of the Treasurer of State,
26 Auditor of State, and Chief Fiscal Officer of the State a fund to be known as
27 the "Final Act Benefit Fund".

28 (b) The actual establishment and operation of the Final Act Program
29 Benefit Fund is contingent upon the recommendations in the final report from
30 the Final Act Program Board of Directors.

31 (c) The fund shall consist of membership fees required under § 17-29-
32 805(3).

33 (d) The two-dollar membership fee required under § 17-29-806(3) shall
34 be used only for the following purposes:

35 (1) One dollar (\$1.00) of each membership fee payment for co-
36 payments authorized under § 17-29-805(3);

1 (2) Fifty cents (50¢) of each membership fee payment to pay for
2 local enrollment sites;

3 (3) Twenty-five cents (25¢) of each membership fee payment to
4 pay local agents; and

5 (4) Twenty- five cents (25¢) of each membership fee payment to
6 pay the state certification office.

7
8 17-29-808. Local agents.

9 (a) A local agent may receive a monthly stipend of twenty-five cents
10 (25¢) for each individual enrolled by the local agent in the Final Act
11 Program.

12 (b) A local agent may receive a monthly stipend under subsection (a)
13 of this section for as long as an enrolled individual lives.

14 (c) Once a claim is made under the Final Act Program, the agent shall
15 cease to receive the monthly stipend relating to the deceased individual.

16
17 17-29-809. Local enrollment sites – Responsibilities.

18 A local enrollment site shall:

19 (1) Issue Final Act Program application forms and receive
20 completed applications;

21 (2) Receive program membership fees; and

22 (3) Process program applications and forward the applications to
23 regional processing centers.

24
25 17-29-810. Regional processing centers – Responsibilities.

26 A regional processing center shall:

27 (1) Receive and process completed Final Act Program
28 applications;

29 (2) Receive program membership fees; and

30 (3) Forward completed program applications and membership fees
31 to the state certification office.

32
33 17-29-811. State certification office.

34 The state certification office shall certify to the Insurance
35 Commissioner the completion of a Final Act Program application and the
36 receipt of the appropriate membership fee for each program membership.

1
2 17-29-812. Insurance Commissioner – Powers and duties.

3 The Insurance Commissioner shall:

4 (1) Issue death benefit cards and proof of insurance
5 contribution to each individual who is certified as a member of the Final Act
6 Program under § 17-29-809;

7 (2) Set premiums for insurance policies to be issued under this
8 subchapter; and

9 (3) Promulgate rules for insurance policies to be created under
10 this subchapter.

11
12 17-29-813. Department of Health and Human Services – Assistance.

13 The Department of Health and Human Services shall assist the Final Act
14 Program Board of Directors in integrating the Final Act Program with related
15 programs operated by the department.

16
17 17-29-814. Service providers.

18 Services under this subchapter may be provided by:

19 (1) Funeral Homes;

20 (2) Faith-based institutions;

21 (3) Community development corporations; and

22 (4) Nonprofit organizations.

23
24 17-29-815. Funding contingency.

25 (a) Implementation of all provisions of this subchapter shall be
26 contingent upon a determination by the Chief Fiscal Officer of the State that
27 adequate resources, including without limitation, funding, appropriations,
28 and personnel positions, are available in all affected state agencies.

29 (b) In addition, no provision in this subchapter that relates to the
30 duties under this subchapter of the Insurance Commissioner or the Insurance
31 Department shall go into effect until the Insurance Commissioner certifies in
32 writing that the fund, the proposed plan and method of operation of the
33 program developed by the Final Act Program Board of Directors, and the
34 proposed manner in which insurers may participate in the program is
35 financially sound, feasible, and capable of being implemented under state
36 law.

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/s/ Wilkins