

## HB 1845 -- Endowed Care Cemeteries

Sponsor: Wells

This bill changes the laws regarding endowed care cemeteries. In its main provisions, the bill:

(1) Allows the Division of Professional Registration within the Department of Insurance, Financial Institutions and Professional Registration to bring suit in Cole County against cemetery operators;

(2) Requires all contracts sold by cemetery operators for cemetery services or for graves, cemetery markers, and crypts to meet certain requirements. If these requirements are not met, all payments will be recoverable by the purchaser plus 10% interest and any reasonable collection costs including attorney fees;

(3) Requires any person, entity, or political subdivision that purchases, receives, or holds real estate used for the burial of human remains, excluding a family burial ground, to notify the Office of Endowed Care Cemeteries within the department of the name, location, and address of the real estate before October 1, 2010, or within 30 days of acquiring the land;

(4) Exempts cemetery operators from the provisions of Chapter 436, RSMo, regarding prearranged funeral contracts but prohibits them from adjusting or establishing prices for items with the intent of evading the trust or escrow provisions of the chapter. Provisions related to deposits into endowed care trust funds based on the sales price of certain products are revised;

(5) Removes the provisions requiring a financial institution serving as the trustee of an endowed care trust to be located in Missouri but requires all activities of the trust to be controlled by Missouri law and all funds held in trust to remain in Missouri;

(6) Requires a cemetery operator to notify the division in writing at least 20 days prior to selling a majority of its assets;

(7) Allows, for agreements entered into after August 28, 2010, a cemetery prearranged merchandise products contract to be canceled within 30 days of receipt of the executed contract and requires all payments to be fully refunded;

(8) Allows the division to direct a trustee, financial institution, or escrow agent to suspend the distribution of money

from an endowed care trust fund if the cemetery operator is not licensed, has failed to file an annual report, or has failed to file a corrective action plan after an audit has revealed a deficiency; and

(9) Exempts, if a cemetery was owned by a city, any subsequent cemetery owner from liability for any deficiency existing prior to the city's ownership.