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LAW/RWH

# ASSEMBLY, No. 2406

## STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED FEBRUARY 28, 2008

**Sponsored by:**

**Assemblywoman CARIDAD RODRIGUEZ**

**District 33 (Hudson)**

**Assemblyman VINCENT PRIETO**

**District 32 (Bergen and Hudson)**

**Assemblywoman ELEASE EVANS**

**District 35 (Bergen and Passaic)**

**Co-Sponsored by:**

**Assemblymen Giblin, Chivukula, Senators Madden, Oroho and Weinberg**

**SYNOPSIS**

Clarifies obligation of cemeteries to hold consumer prepayments for cemetery services in trust accounts.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 6/26/2009)**

1 AN ACT concerning certain cemetery trust fund requirements and  
2 amending P.L.1957, c.182.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State  
5 of New Jersey:

6

7 1. Section 1 of P.L.1957, c.182 (C.2A:102-13) is amended to  
8 read as follows:

9 1. Any and all moneys paid to a funeral director, undertaker,  
10 cemetery, or any other person, firm or corporation, under or in  
11 connection with an agreement for the sale of personal property to be  
12 used in connection with a funeral or burial, or for the furnishing of  
13 personal services of a funeral director **[or]**, undertaker or cemetery,  
14 wherein the personal property is not to be delivered or the personal  
15 services are not to be rendered until the occurrence of the death of  
16 the person for whose funeral or burial such property or services are  
17 to be furnished, shall be trust funds in the possession of such  
18 funeral director, undertaker, cemetery, or other person, firm or  
19 corporation, and shall be deposited by him or it within 30 days after  
20 receipt thereof in a special account maintained exclusively for the  
21 deposit of such moneys in a federally insured State or federally  
22 chartered bank, savings bank or savings and loan association; or, if  
23 the person paying the moneys requests, in a pooled trust account  
24 established pursuant to P.L.1985, c.147 (C.3B:11-16 et al.) and  
25 chosen by the person paying the moneys, and shall be so held on  
26 deposit, together with any interest thereon, until said personal  
27 property has been delivered and said personal services have been  
28 rendered, unless sooner repaid, in whole or in part. No depository  
29 institution shall be liable for the misuse, misapplication or improper  
30 withdrawal by any such funeral director, undertaker, cemetery or  
31 other person, firm or corporation, of any moneys deposited in such  
32 depository institution pursuant to this act.

33 Any agreement for funeral goods or funeral services, or both,  
34 executed on or after the effective date of this 1993 amendatory and  
35 supplementary act by a provider shall comply with the provisions  
36 set forth in sections 1 through 13 of P.L.1993, c.147 (C.45:7-82 to  
37 45:7-94).

38 (cf: P.L.1993, c.147, s.16)

39

40 2. This act shall take effect immediately.

41

42

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STATEMENT

44

45 This bill clarifies that cemetery companies are required to hold

**EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

**A2406 RODRIGUEZ, PRIETO**

3

1 consumer prepayments for cemetery services in trust fund accounts.  
2 The New Jersey Cemetery Board has questioned whether the  
3 language in the provisions of section 1 of P.L.1957, c.182  
4 (C.2A:102-13) compels cemetery companies to place in trust  
5 moneys received for future services. This bill amends the statute to  
6 remove any such ambiguity and thus ensures that 100% of the  
7 moneys collected in advance for future cemetery services will be  
8 “trusted,” with interest accruing are refundable on demand.

ASSEMBLY REGULATED PROFESSIONS COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2406**

**STATE OF NEW JERSEY**

DATED: MAY 5, 2008

The Assembly Regulated Professions Committee reports favorably, Assembly Bill No. 2406.

This bill clarifies that cemetery companies are required to hold consumer prepayments for cemetery services in trust fund accounts. The New Jersey Cemetery Board has questioned whether the language in the provisions of section 1 of P.L.1957, c.182 (C.2A:102-13) compels cemetery companies to place in trust moneys received for future services. This bill amends the statute to remove any such ambiguity and thus ensures that 100% of the moneys collected in advance for future cemetery services will be “trusted,” with interest accruing and are refundable on demand.

SENATE COMMERCE COMMITTEE

STATEMENT TO

**ASSEMBLY, No. 2406**

**STATE OF NEW JERSEY**

DATED: JUNE 11, 2009

The Senate Commerce Committee reports favorably Assembly Bill No. 2406.

This bill obligates cemeteries to hold in trust 100% of consumer payments for future cemetery services related to a funeral or burial in accordance with the trust funding provisions of section 1 of P.L.1957, c.182 (C.2A:102-13).

The bill is identical to Senate Bill No. 1356, as reported by the committee today.

# SENATE, No. 1356

## STATE OF NEW JERSEY 213th LEGISLATURE

INTRODUCED FEBRUARY 26, 2008

**Sponsored by:**

**Senator FRED H. MADDEN, JR.**

**District 4 (Camden and Gloucester)**

**Senator STEVEN V. OROHO**

**District 24 (Sussex, Hunterdon and Morris)**

**Co-Sponsored by:**

**Senator Weinberg**

**SYNOPSIS**

Clarifies obligation of cemeteries to hold consumer prepayments for cemetery services in trust accounts.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 2/24/2009)**



S1356 MADDEN, OROHO

2

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16 the person for whose funeral or burial such property or services are  
17 to be furnished, shall be trust funds in the possession of such  
18 funeral director, undertaker, cemetery, or other person, firm or  
19 corporation, and shall be deposited by him or it within 30 days after  
20 receipt thereof in a special account maintained exclusively for the  
21 deposit of such moneys in a federally insured State or federally  
22 chartered bank, savings bank or savings and loan association; or, if  
23 the person paying the moneys requests, in a pooled trust account  
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25 chosen by the person paying the moneys, and shall be so held on  
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27 property has been delivered and said personal services have been  
28 rendered, unless sooner repaid, in whole or in part. No depository  
29 institution shall be liable for the misuse, misapplication or improper  
30 withdrawal by any such funeral director, undertaker, cemetery or  
31 other person, firm or corporation, of any moneys deposited in such  
32 depository institution pursuant to this act.

33 Any agreement for funeral goods or funeral services, or both,  
34 executed on or after the effective date of this 1993 amendatory and  
35 supplementary act by a provider shall comply with the provisions  
36 set forth in sections 1 through 13 of P.L.1993, c.147 (C.45:7-82 to  
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STATEMENT

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SENATE COMMERCE COMMITTEE

STATEMENT TO

**SENATE, No. 1356**

**STATE OF NEW JERSEY**

DATED: JUNE 11, 2009

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