2018 Regular Session SENATE BILL NO. 540 BY SENATOR RISER

1	AN ACT
2	To amend and reenact R.S. 8:454, the introductory paragraph of R.S. 8:456(A)(1) and (B),
3	and 457(B) and to enact R.S. 8:456(C), relative to the Louisiana Cemetery Board;
4	to provide for the creation of a master trust fund; to provide for requirements of a
5	master trust fund; to provide for reporting requirements; to provide for certain terms
6	and conditions; and to provide for related matters.
7	Be it enacted by the Legislature of Louisiana:
8	Section 1. R.S. 8:454, the introductory paragraph of R.S. 8:456(A)(1) and (B), and
9	457(B) are hereby amended and reenacted and R.S. 8:456(C) is hereby enacted to read as
10	follows:
11	§454. Trust funds required; master trust fund
12	A. No corporation hereafter organized for the operation of a perpetual or
13	endowed care cemetery and no cemetery authority not operating prior to August 1,
14	1962, as a perpetual or endowed care cemetery shall advertise or sell interment
15	spaces in said the cemetery under the representation that said such cemetery or any
16	individual interment space therein is entitled to perpetual or endowed care, until
17	there has been established a trust fund to provide for such care in the sum of fifty
18	thousand dollars in cash, or in lieu thereof securities listed upon a national exchange
19	or obligations of the United States government, any state, parish, county, or
20	municipality, having a fair market value equal to said amount of cash on the date of
21	deposit.
22	B. The trust fund so created shall be evidenced by an instrument in writing
23	and shall be placed with a designated trustee which shall be a federally insured
24	financial institution or trust company located in Louisiana and authorized to exercise
25	trust or fiduciary powers under the laws of Louisiana or the United States.

Page 1 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SB NO. 540

ENROLLED

1	C.(1) Notwithstanding any provision of law to the contrary, for the
2	purposes of collective investment and administration and with written consent
3	of each participant in a master trust fund, a designated trustee of two or more
4	trust funds may apply to the board to establish a master trust fund in which
5	deposits are made pursuant to the provisions of this Title.
6	(2) The master trust fund shall be subject to the following requirements:
7	(a) It shall include only trust funds with a principal balance of less than
8	two hundred fifty thousand dollars. Upon a determination that a trust fund
9	made a part of a master trust fund has a principal sum exceeding two hundred
10	fifty thousand dollars at the end of a reporting period, such trust fund shall no
11	longer be subject to the collective investment and administration of the master
12	trust fund and shall be removed from the master trust fund within ninety days.
13	(b) The designated trustee of a master trust fund shall maintain separate
14	records of principal and income for each participant in the master trust fund.
15	(c) The income and associated expenses of the master trust fund shall be
16	divided among the participants in the master trust fund based on the proportion
16 17	<u>divided among the participants in the master trust fund based on the proportion</u> <u>that each participant contributes to the balance of the master trust fund.</u>
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17 18 19 20 21	that each participant contributes to the balance of the master trust fund. (d) The annual report by the designated trustee of the master trust fund shall include an itemized separate accounting for each participant in the master trust fund. Such annual report shall comply with the provisions of R.S. 8:456. (e) The operation of the master trust fund shall be subject to the
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 17 18 19 20 21 22 23 24 25 26 	that each participant contributes to the balance of the master trust fund. (d) The annual report by the designated trustee of the master trust fund shall include an itemized separate accounting for each participant in the master trust fund. Such annual report shall comply with the provisions of R.S. 8:456. (e) The operation of the master trust fund shall be subject to the provisions of this Title and the rules and regulations of the board. * * \$456. Annual report by trustee; final accounting by trustee required A.(1) Not later than sixty days after the receipt of the report required by R.S. 8:455, the trustee shall file with the board, with a copy to the clerk of the district
 17 18 19 20 21 22 23 24 25 26 27 	that each participant contributes to the balance of the master trust fund.(d) The annual report by the designated trustee of the master trust fundshall include an itemized separate accounting for each participant in the mastertrust fund. Such annual report shall comply with the provisions of R.S. 8:456.(e) The operation of the master trust fund shall be subject to theprovisions of this Title and the rules and regulations of the board.****\$456. Annual report by trustee; final accounting by trustee requiredA.(1) Not later than sixty days after the receipt of the report required by R.S.8:455, the trustee shall file with the board, with a copy to the clerk of the districtcourt for the parish in which the cemetery is located, an annual report on a form

Page 2 of 3 Coding: Words which are struck through are deletions from existing law; words in **boldface type and underscored** are additions.

SB NO. 540

ENROLLED

1	fund to the successor trustee, the resigning trustee shall file with the board, with a
2	copy to the clerk of the district court for the parish in which the cemetery is located,
3	a final accounting showing in detail all receipts and disbursements of cash and all
4	receipts and deliveries of other trust property, and set forth a detailed list of all items
5	of trust property in the trust from the last reporting period through the date of
6	resignation and transfer of the trust fund to the successor trustee.
7	C. Notwithstanding any provision of law to the contrary, the annual
8	report and final accounting shall be open for public inspection and upon
9	request, a copy of the annual report and final accounting shall be made
10	<u>available.</u>
11	* * *
12	§457. Application of Chapter
13	* * *
14	B. A like affidavit shall be filed with the board at the end of each fiscal year
15	thereafter for the operation of such cemetery.
16	* * *
17	Section 2. This Act shall become effective upon signature by the governor or, if not
18	signed by the governor, upon expiration of the time for bills to become law without signature
19	by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
20	vetoed by the governor and subsequently approved by the legislature, this Act shall become
21	effective on the day following such approval.

PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____