

SESSION OF 2008

SUPPLEMENTAL NOTE ON SENATE BILL NO. 450

As Recommended by Senate Committee on
Judiciary

Brief*

SB 450 would amend current law to remove the authority of a cemetery corporation to use its permanent maintenance fund to build a mausoleum.

Background

The proponent of the bill included Melissa A. Wangemann, Legal Counsel and Deputy Assistant Secretary of State. Ms. Wangemann testified that current law requires cemetery corporations to deposit 15 percent of each burial lot sold into a trust fund to provide for future maintenance of the cemetery after the cemetery no longer has an income source. This fund is called the Permanent Maintenance Fund (PMF). If a cemetery's PMF is depleted and the cemetery can no longer maintain itself, the local governing body must be appointed as a receiver and take over the maintenance of the cemetery.

Ms. Wangemann testified current law allows the use of the PMF to build a mausoleum. The Secretary of State believes this is bad public policy and should be repealed. Ms. Wangemann provided the Committee with an example of a cemetery using its PMF to erect a mausoleum and was unable to repay its PMF.

There was no testimony in opposition to the bill.

The fiscal note from the Division of Budget states the passage of this bill would have no fiscal effect.

*Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at <http://www.kslegislature.org>