

State of Arkansas
90th General Assembly
Regular Session, 2015

As Engrossed: H3/4/15 S3/24/15
A Bill

HOUSE BILL 1549

By: Representative Lowery
By: Senator Rapert

For An Act To Be Entitled

AN ACT TO ALLOW A BURIAL ASSOCIATION WITH EXCESS
ACCOUNT FUNDS TO PAY A MEMBER MORE THAN THE FACE
VALUE OF THE BURIAL POLICY; AND FOR OTHER PURPOSES.

Subtitle

TO ALLOW A BURIAL ASSOCIATION WITH EXCESS
ACCOUNT FUNDS TO PAY A MEMBER MORE THAN
THE FACE VALUE OF THE BURIAL POLICY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 23-78-108(a), concerning the powers and duties of the Burial Association Board, is amended to add an additional subdivision to read as follows:

(8) Approve requests from burial associations that have excess financial resources, as determined by the board, to adopt a plan to pay death benefits in excess of the face value of a certificate of benefits issued by the burial association to members of the burial association.

SECTION 2. Arkansas Code Title 23, Chapter 78, Subchapter 1, is amended to add an additional section to read as follows:

23-78-126. Plan for excess financial resources – Approval required.

(a) A burial association that has excess financial resources, as determined by the Burial Association Board, may request that the board approve a plan to pay death benefits in excess of the face value of certificates of benefits issued by the burial association to members of the



burial association.

(b) On the approval of the board, the burial association shall submit a plan to the board to pay death benefits in excess of the face value of certificates of benefits issued by the burial association to members of the burial association.

(c)(1) The plan described in subsection (b) of this section shall:

(A) Be based on the class of business of the burial association; and

(B) Require that death benefits are paid on a fair, proportionate, and equitable basis to members of the burial association.

(2) The plan shall not impugn the financial integrity of the burial association.

(d) In determining whether or not a burial association has excess financial resources, the board shall not consider the assets of a burial association that are attributable to certificates written after July 20, 1987, to be comingled with assets attributable to certificates written before July 20, 1987.

/s/Lowery

APPROVED: 04/04/2015