

State of Arkansas  
94th General Assembly  
Regular Session, 2023

# A Bill

SENATE BILL 98

By: Senator D. Wallace  
By: Representative Rye

## For An Act To Be Entitled

AN ACT TO AMEND THE CERTIFICATE FOR BENEFITS FOR BURIAL ASSOCIATIONS; TO CLARIFY THE PERCENTAGE PAYABLE TO SUBSTITUTE SERVICE-PROVIDING FUNERAL HOMES BASED ON MEMBERSHIP DATA AND PROXIMITY TO THE CONTRACT FUNERAL HOME; AND FOR OTHER PURPOSES.

## Subtitle

TO AMEND THE CERTIFICATE FOR BENEFITS FOR BURIAL ASSOCIATIONS; AND TO CLARIFY THE PERCENTAGE PAYABLE TO SUBSTITUTE SERVICE-PROVIDING FUNERAL HOMES BASED ON MEMBERSHIP DATA AND PROXIMITY TO THE CONTRACT FUNERAL HOME.

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

SECTION 1. Arkansas Code § 23-78-112(b), concerning the percentage payable under a certificate for benefits to a funeral home other than the contract funeral home, is amended to read as follows:

(b) ~~If~~ For memberships issued on or after July 19, 1987, if other than the contract funeral home performs the funeral service, the benefit shall be paid to that licensed, servicing funeral home on the basis of one hundred percent (100%) of the face amount of the certificate, in cash.

SECTION 2. Arkansas Code § 23-78-112, concerning certificates for benefits applicable to burial associations, is amended to add additional



subsections to read as follows:

(c)(1) For memberships issued before July 1, 1967, if a licensed funeral home other than the contract funeral home performs the funeral service, the benefit shall be paid to that licensed, servicing funeral home according to the agreement contained in the certificate of membership between the member and the burial association.

(2) For memberships issued between July 1, 1967, through August 5, 1976, if a licensed funeral home other than the contract funeral home performs the funeral service and the service occurs outside of the burial association's service area, as established by the certificate of membership, then the benefit shall be paid to the licensed, servicing funeral home at a minimum rate of seventy percent (70%) of the certificate for benefit face amount or seventy percent (70%) of the amount credited on the at-need or final billing statement, whichever is higher.

(3) For memberships issued between August 5, 1976, through July 19, 1987, if a licensed funeral home other than the contract funeral home performs the funeral service and the service occurs outside of the burial association's service area, as established by the certificate of membership, then the benefit shall be paid to the licensed, servicing funeral home at a minimum rate of eighty percent (80%) of the certificate for benefit face amount or eighty percent (80%) of the amount credited on the at-need or final billing statement, whichever is higher.

(d) If a licensed funeral home other than the contract funeral home performs the funeral service and the licensed, servicing funeral home's at-need or final billing statement reflects a credit for the full burial association certificate for benefit amount, then:

(1) A burial association member is considered to have been made whole by the licensed, servicing funeral home and the family or responsible party of the deceased member is not entitled to receive any additional funds, reimbursement, or refund of any paid-in dues, or other compensation, cash or merchandise, on the deceased burial association member's certificate of membership; and

(2)(A) If the contract funeral home administering the burial association's business renders payment to the licensed, servicing funeral home, based on the percentages in subsection (b) of this section and subdivisions (c)(1) and (2) of this section, then it is at the discretion of

the licensed, servicing funeral home whether or not to retain the disbursed burial association funds or to return the funds to the family or responsible party of the deceased member.

(B) Any payment to the family or responsible party is to be made by the licensed, servicing funeral home, and not the burial association or the burial association's contract funeral home.

**APPROVED: 2/17/23**