

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 821
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Short Title: Preneed Funeral Funds Definition.

(Public)

Sponsors: Senator Ballance.

Referred to: Pensions and Retirement/Insurance/State Personnel

April 25, 1995

1 A BILL TO BE ENTITLED
2 AN ACT TO AMEND THE DEFINITION OF PRENEED FUNERAL FUNDS.

3 The General Assembly of North Carolina enacts:

4 Section 1. G.S. 90-210.60 reads as rewritten:

5 **"§ 90-210.60. Definitions.**

6 As used in this Article, unless the context requires otherwise:

- 7 (1) 'Board' means the North Carolina Board of Mortuary Science as created
8 pursuant to Article 13A of Chapter 90 of the General Statutes;
- 9 (2) 'Financial institution' means a bank, trust company, savings bank, or
10 savings and loan association authorized by law to do business in this
11 State;
- 12 (3) 'Insurance company' means any corporation, association, partnership,
13 society, order, individual or aggregation of individuals engaging in or
14 proposing or attempting to engage as principals in any kind of insurance
15 business, including the exchanging of reciprocal or interinsurance
16 contracts between individuals, partnerships, and corporations;
- 17 (4) 'Prearrangement insurance policy' means a life insurance policy, annuity
18 contract, or other insurance contract, or any series of contracts or
19 agreements in any form or manner, issued by an insurance company

1 authorized by law to do business in this State, which, whether by
2 assignment or otherwise, has for a purpose the funding of a preneed
3 funeral contract or an insurance-funded funeral or burial
4 prearrangement, the insured or annuitant being the person for whose
5 service the funds were paid;

6 (5) 'Preneed funeral contract' means any contract, agreement, or mutual
7 understanding, or any series or combination of contracts, agreements, or
8 mutual understandings, whether funded by trust deposits or
9 prearrangement insurance policies, or any combination thereof, which
10 has for a purpose the furnishing or performance of funeral services, or
11 the furnishing or delivery of personal property, merchandise, or services
12 of any nature in connection with the final disposition of a dead human
13 body, to be furnished or delivered at a time determinable by the death of
14 the person whose body is to be disposed of, but does not mean the
15 furnishing of a cemetery lot, crypt, niche, or mausoleum;

16 (6) 'Preneed funeral contract beneficiary' means the person upon whose
17 death the preneed funeral contract will be performed; this person may
18 also be the purchaser of the preneed funeral contract;

19 (7) 'Preneed funeral funds' means all payments of money made to any
20 person, partnership, association, corporation, or other entity upon any
21 preneed funeral contract or any other agreement, contract, or
22 prearrangement insurance policy, or any series or combination of
23 preneed funeral contracts or any other agreements, contracts, or
24 prearrangement insurance policies, ~~but excluding the furnishing of~~
25 ~~cemetery lots, crypts, niches, and mausoleums,~~ which have for a purpose or
26 which by operation provide for the furnishing or performance of funeral
27 or burial or other services, or the furnishing or delivery of personal
28 ~~property, property or any funeral merchandise, including caskets and~~
29 ~~urns as, or services of any nature~~ in connection with the final disposition
30 of a dead human body, to be furnished or delivered at a time
31 determinable by the death of the person whose body is to be disposed
32 of, or the providing of the proceeds of any insurance policy for such ~~use~~;
33 use.

34 'Preneed funeral funds' does not include any payments of money
35 made to any person, partnership, association, corporation, or other entity
36 upon any preneed funeral contract or any other agreement, contract, or
37 prearrangement insurance policy, or any series or combination of
38 preneed funeral contracts or any other agreements, contracts, or
39 prearrangement insurance policies for the furnishing of cemetery lots,
40 crypts, niches, and mausoleums to be furnished or delivered at a time
41 determinable by the death of the person whose body is to be disposed.

- 1 (8) 'Preneed funeral planning' means offering to sell or selling preneed
2 funeral contracts, or making other arrangements prior to death for the
3 providing of funeral services or merchandise;
4 (9) 'Preneed licensee' means a funeral establishment which has applied for
5 and has been granted a license to sell preneed funeral contracts under
6 the Article. Such license is also referred to in this Article as a 'preneed
7 funeral establishment license.'
8 Sec. 2. This act is effective upon ratification.