

AN ACT

ENTITLED, An Act to provide that funds held in an irrevocable prearranged funeral trust be paid to a licensed funeral director, funeral establishment, or embalmer selected by the purchaser of the prearranged funeral trust or the next of kin of the purchaser.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That § 55-11-12 be amended to read as follows:

55-11-12. If the beneficiary of an irrevocable prearranged funeral trust for a guaranteed price dies outside the general area or moves outside the general area served by the provider designated in a prearranged funeral trust contract, the seller shall either provide for the furnishing of comparable funeral services and merchandise by a licensed mortuary or cemetery selected by the next of kin of the purchaser or, at the seller's option, shall pay over to the purchaser, or upon the death of the purchaser to the next of kin of the purchaser in fulfillment of all obligations under the contract, an amount equal to all deposits made into trust under the prearranged funeral trust contract together with the accrued trust interest to be provided for in the contract. Upon seller's full performance under the provisions of this section, the trustee shall distribute to the seller from the trust an amount equal to all deposits made into the trust together with the accrued trust interest.

Section 2. That chapter 55-11 be amended by adding thereto a NEW SECTION to read as follows:

Every trustee of an irrevocable prearranged funeral trust which does not provide for a guaranteed price shall pay from the trust funds and any accrued interest the actual charges incurred for furnishing funeral services and merchandise to the funeral director, funeral establishment, or embalmer, licensed under chapter 36-19, or similarly licensed in any other state that provides funeral services and merchandise for the beneficiary of the irrevocable prearranged funeral trust. The balance of the funds remaining in the prearranged funeral trust, if any, shall be paid by the trustee to the purchaser or to the estate or next of kin of the purchaser, subject to § 28-6-23 and rules pertaining thereto and the

terms of the prearranged funeral trust agreement. Payment of all of the trust funds, plus any accrued interest, as provided in this section, within thirty days after receipt of a death certificate, relieves the trustee of any further duties or obligations.

An Act to provide that funds held in an irrevocable prearranged funeral trust be paid to a licensed funeral director, funeral establishment, or embalmer selected by the purchaser of the prearranged funeral trust or the next of kin of the purchaser.

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I certify that the attached Act
originated in the

HOUSE as Bill No. 1204

Chief Clerk

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Speaker of the House

Attest:

Chief Clerk

President of the Senate

Attest:

Secretary of the Senate

House Bill No. 1204
File No. _____
Chapter No. _____

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Received at this Executive Office
this ____ day of _____ ,
19__ at _____ M.

By _____
for the Governor

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The attached Act is hereby
approved this _____ day of
_____, A.D., 19__

Governor

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STATE OF SOUTH DAKOTA,
ss.
Office of the Secretary of State

Filed _____, 19__
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State