



Bill Number: H.B. 2160

About Floor Amendment

Reference to: House engrossed bill

Amendment drafted by: Samantha Macchiaroli

FLOOR AMENDMENT EXPLANATION

- Decreases, from 30 to 10, the number of business days allotted for money to be deposited into the trust fund after receipt.
- Decreases, from 15 to 7, the maximum percentage of the contract price that a funeral establishment may keep for administrative purposes relating to the prearranged funeral trust fund.

Amendment explanation prepared by Samantha Macchiaroli

3/18/2011

ABOUD FLOOR AMENDMENT

SENATE AMENDMENTS TO H.B. 2160

(Reference to House engrossed bill)

1 Page 1, line 21, strike "THIRTY" insert "TEN"

2 Page 2, after line 10, insert:

3 "Sec. 2. Section 32-1391.06, Arizona Revised Statutes, is amended to
4 read:

5 32-1391.06. Service fees; prearranged funeral agreements funded
6 by trust

7 A. A funeral establishment may charge an initial service fee when a
8 person enters into a prearranged funeral agreement funded by trust of not to
9 exceed ~~fifteen~~ SEVEN per cent of the total amount agreed to be paid by the
10 purchaser pursuant to the prearranged funeral agreement. If the amount to be
11 paid by the purchaser is to be paid in installments, no more than one-half of
12 any payment made by the purchaser may be applied to the initial service
13 fee. If the agreement is canceled prior to the completion of the agreement,
14 any portion of the initial service fee that has not yet been paid under the
15 agreement is no longer due and payable to the establishment. The portion of
16 any payment by the purchaser that is to be applied to the initial service fee
17 shall be paid to the funeral establishment and not to the trust account.

18 B. A funeral establishment may charge an annual service fee of not to
19 exceed ten per cent of the interest that has accrued on the trust funds
20 during the preceding calendar year. After each calendar year while a
21 prearranged funeral agreement funded by trust is in effect a financial
22 institution may release a portion of the trust funds equal to the annual
23 service fee on receipt of a certificate of entitlement to an annual service
24 fee from the funeral establishment.

25 C. The funeral establishment may direct the financial institution to
26 pay, from time to time, from the monies in the trust account, any taxes that
27 have accrued by reason of the income earned from funds deposited in the trust

Senate Amendments to H.B. 2160

1 account. The payment may be made directly to the taxing authority or to the
2 beneficiary of the trust account on the proper showing by the beneficiary
3 that the beneficiary has paid the taxes. A financial institution may
4 withdraw funds from the trust account, as previously agreed in writing, to
5 pay reasonable and necessary charges for the administrative and investment
6 management services provided by the financial institution."

7 Amend title to conform

3/18/11
4:54 PM
S: SM/tf