

SENATE, No. 2031

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED MARCH 16, 2020

Sponsored by:

Senator STEVEN V. OROHO

District 24 (Morris, Sussex and Warren)

SYNOPSIS

Establishes minimum dollar amount required in Maintenance and Preservation Funds of cemetery companies established before December 1, 1971.

CURRENT VERSION OF TEXT

As introduced.



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1 AN ACT concerning the Maintenance and Preservation Funds of
2 certain cemetery companies and amending P.L.2003, c.261.

3

4 **BE IT ENACTED** by the Senate and General Assembly of the State
5 of New Jersey:

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7 1. Section 13 of P.L.2003, c.261 (C.45:27-13) is amended to
8 read as follows:

9 13. a. As a condition for the issuance of its certificate of
10 authority to operate a cemetery, a cemetery company established
11 after December 1, 1971 shall make an initial deposit of \$75,000 to
12 its Maintenance and Preservation Fund. A for-profit corporation,
13 partnership, association or other private entity managing or
14 operating a cemetery company pursuant to a certificate of authority
15 granted under section 1 of P.L.2006, c.26 (C.45:27-7.1) shall not be
16 required to make that initial deposit of \$75,000 to its Maintenance
17 and Preservation Fund; however the cemetery company and the for-
18 profit corporation, partnership, association or other private entity
19 shall be jointly and severally liable for the maintenance and use of
20 that Maintenance and Preservation Fund.

21 b. A cemetery company established before December 1, 1971
22 shall transfer into the Maintenance and Preservation Fund any funds
23 established for the maintenance and preservation of the cemetery
24 and any additional amount set by the board but shall only be
25 required to retain a minimum of \$37,500 in the Maintenance and
26 Preservation Fund. Any funds that exceed the minimum amount of
27 \$37,500 shall be applied towards the maintenance and preservation
28 of the cemetery.

29 c. A cemetery company shall collect and pay into the
30 Maintenance and Preservation Fund the following fees and charges:

31 (1) on the initial sale by a cemetery company of each grave,
32 15% of the gross sales price;

33 (2) 10% of the initial sales price of a crypt or niche in a public
34 mausoleum or columbarium;

35 (3) on bulk sales of graves, 15% of the current retail gross sales
36 price of comparable graves;

37 (4) on bulk sales of crypts or niches, 10% of the current retail
38 gross sales price of comparable crypts or niches;

39 (5) on transfer of a grave, 15% of the current gross sales price of
40 equivalent graves, less any amounts previously paid to the
41 Maintenance and Preservation Fund on sales of that grave;

42 (6) on transfer of a crypt or niche, 15% of the current gross sales
43 price of equivalent crypts or niches, less any amounts previously
44 paid to the Maintenance and Preservation Fund on sales of that
45 crypt or niche;

EXPLANATION – Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

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1 (7) for each interment or for the placement of cremated human
2 remains, 3% of the charge for the interment or placement or \$20,
3 whichever is more;

4 (8) for a foundation, base or installation, 10% of the charge for
5 the foundation, base or installation, or \$20, whichever is more.

6 For the purposes of paragraphs (5) and (6) of this subsection,
7 "transfer" shall not include: (a) sales to the cemetery company or to
8 the next of kin; or (b) conveyance of a right of burial in a grave,
9 crypt or niche for which there is no transfer of title provided the
10 grave, crypt or niche was sold after December 1, 1971, the
11 conveyance of the right of burial is from a corporation or
12 association organized not for profit and operated exclusively for
13 religious or charitable purposes to a member or authorized designee
14 of a member of the corporation or association, and a fee or charge
15 had previously been paid on that grave, crypt or niche pursuant to
16 subsection c.

17 d. Monies required to be deposited into the Maintenance and
18 Preservation Fund shall be paid to the fund on a monthly basis.
19 Such deposits shall be made by the last day of the month following
20 the month in which the monies were received. In the event of an
21 installment sale of a grave, crypt or niche, the cemetery company
22 may make the required deposit at the time the deed is issued or
23 when the payments are received.

24 e. A cemetery company may make additional payments or
25 accept contributions into the Maintenance and Preservation Fund.
26 (cf: P.L.2015, c.61, s.1)

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28 2. This act shall take effect immediately.

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30 STATEMENT

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32 This bill sets the minimum dollar amount a cemetery company
33 must retain in its Maintenance and Preservation Fund at \$37,500 if
34 that company was established before December 1, 1971. Current
35 law requires such cemetery companies to transfer into their
36 Maintenance and Preservation Funds any funds established for the
37 maintenance and preservation of the cemetery and any additional
38 amount set by the New Jersey Cemetery Board. However, current
39 law does not set a minimum dollar amount these cemeteries are
40 required to retain in their Maintenance and Preservation Funds, as it
41 does for cemetery companies established after December 1, 1971.
42 Additionally, the bill requires that any funds exceeding the \$37,500
43 minimum must be applied towards the maintenance and
44 preservation of the cemetery.