






NEWS - METRO-EAST NEWS

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State measure would require stricter oversight of pre-paid funeral plans

BY LAURA GIRRESCH - News-Democrat

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New state legislation awaiting Gov. Pat Quinn's signature is designed to protect consumers' prepaid death-care dollars, and it may keep financial problems, such as those that have troubled two metro-east cemeteries, from happening in the future.

The legislation, Senate Bill 1682, passed both houses last month. It would require sellers of prepaid funeral and burial services to place consumer funds with a government-regulated independent trustee. Under current law, only prepaid funds totaling more than \$500,000 would have to be entrusted with a government-regulated entity.

Mount Hope Cemetery in Belleville and Valley View Cemetery in Edwardsville would fall under the new law. The comptroller's office last year reported that more than \$300,000 was missing from more than 450 prepaid burial accounts at the two cemeteries.



No one has been charged in connection with the missing funds. St. Clair County State's Attorney Bob Haida has said that when the comptroller notified him of the missing funds, he requested further investigation by the Illinois State Police. Madison County State's Attorney William Mudge hasn't commented on the cemetery findings. State police have not said whether they have opened an investigation in the case.

Mid-America Growth and Development Corp. was responsible for managing consumers' money for prepaid burials and was required to place up to 95 percent of the funds from

the sales in trust until it was needed for services. If the law passes, that oversight would be taken out of the hands of cemetery owners and placed under state regulation.

"This is important because it places them under regulations that apply to all other trusts," Carol Knowles, a spokesman for Illinois Comptroller Daniel W. Hynes, said in an e-mail. "It places the money in independent hands. It also would make it more difficult for an entity doing the selling to take an improper action with the funds. Essentially it is decoupling the death-care industry from the trust fund management."

She also said the measure would require the independent trustee to provide annual statements to consumers about their funds.

Also, Knowles said, the comptroller has started the process of revoking the company's license to sell prepaid services and putting the cemeteries under the control of a receiver. The cemeteries were last placed in receivership in 1997 after previous owner Larry Esterlen took money from the cemeteries' trust funds.

Property tax records show Forever Illinois Inc., which owned the cemeteries before Mid-America bought them in 2005, had purchased the cemeteries back from Mid-America in June 2006. Mid-America's president, Hillman Crowell, was required by law to notify the state of the sale, and he did not, according to the comptroller's office. Further complicating the case was the death of the 85-year-old Crowell in a car crash earlier this year. Forever Illinois Inc. president Brent Cassity could not be reached for comment Tuesday.

It's not clear who is operating the cemeteries.

Mid-America holds the license to sell the prepaid services, and Forever Illinois never obtained a license to sell the services at the cemeteries, according to the comptroller's office. The company's certificate of good standing was revoked in 2007 because it failed to file financial reports with the Illinois secretary of state.

Visitors to the cemeteries have complained about high grass and weeds and damaged headstones. In Edwardsville, inmates have stepped up to help maintain the cemetery. Family members of those buried at Mount Hope Cemetery frequently bring mowers and weed-whackers to maintain their plots.

Belleville Mayor Mark Eckert has said the city can't afford to take over maintaining Mount Hope.

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COMMENTS
