AMENDMENT TO SENATE BILL 1682

AMENDMENT NO. _____. Amend Senate Bill 1682 by replacing everything after the enacting clause with the following:

"Section 5. The Illinois Funeral or Burial Funds Act is amended by changing Sections 1, 1a, 1a-1, 1b, 2, 3, 4, 4a, 5, and 8.1 and by adding Section 1a-2 as follows:

(225 ILCS 45/1) (from Ch. 111 1/2, par. 73.101)

Sec. 1. Payment under pre-need contract. Except as otherwise provided in this Section, all sales proceeds paid to any person, partnership, association or corporation with respect to merchandise or services covered by this Act, upon any agreement or contract, or any series or combination of agreements or contracts, which has for a purpose the furnishing or performance of funeral services, or the furnishing or delivery of any personal property, merchandise, or services of any nature in connection with the final disposition of a dead

~~accounts in a State or federal credit union, the accounts of which are insured as required by the Illinois Credit Union Act or the Federal Credit Union Act, as applicable~~.

(Source: P.A. 88-477.)

(225 ILCS 45/2) (from Ch. 111 1/2, par. 73.102)

Sec. 2. (a) If a purchaser selects a trust arrangement to fund the pre-need contract, all trust deposits as determined by Section 1b shall be made within 30 days of receipt.

(b) A trust established under this Act must be maintained with a corporate fiduciary as defined in Section 1-5.05 of the Corporate Fiduciary Act.~~:~~

~~(1) in a trust account established in a bank, savings and loan association, savings bank, or credit union authorized to do business in Illinois in which accounts are insured by an agency of the federal government; or~~

~~(2) in a trust company authorized to do business in Illinois.~~

(c) Trust agreements and amendments to the trust agreements used to fund a pre-need contract shall be filed with the Comptroller.

(d) (Blank).

(e) A seller or provider shall furnish to the trustee and depositary the name of each payor and the amount of payment on each such account for which deposit is being so made. Nothing shall prevent the trustee ~~or a seller or provider acting as a~~

~~trustee in accordance with this Act~~ from commingling the deposits in any such trust fund for purposes of its management and the investment of its funds as provided in the Common Trust Fund Act. In addition, multiple trust funds maintained under this Act may be commingled or commingled with other funeral or burial related trust funds if all record keeping requirements imposed by law are met.

(f) (Blank). ~~Trust funds may be maintained in a financial institution described in subsection (b) which is located in a state adjoining this State where: (1) the financial institution is located within 50 miles of the border of this State, (2) its accounts are federally insured, and (3) it has registered with the Illinois Secretary of State for purposes of service of process.~~

(g) Upon no less than 30 days prior notice to the Comptroller, the seller may change the trustee of the fund. Failure to provide the Comptroller with timely prior notice is an intentional violation of this Act.

(h) A trustee shall at least annually furnish to each purchaser a statement containing: (1) the receipts, disbursements, and inventory of the trust, including an explanation of any fees or expenses charged by the trustee under Section 4 of this Act or otherwise, (2) an explanation of the purchaser's right to a refund, if any, under this Act, and (3) identifying the primary regulator of the trust as a corporate fiduciary under state or federal law.

(Source: P.A. 92-419, eff. 1-1-02.)

(225 ILCS 45/3) (from Ch. 111 1/2, par. 73.103)

Sec. 3. Licensing.

(a) No person, firm, partnership, association or corporation may act as seller without first securing from the State Comptroller a license to so act. Application for such license shall be in writing, signed by the applicant and duly verified on forms furnished by the Comptroller. Each application shall contain at least the following:

(1) The full name and address (both residence and place of business) of the applicant, and every member, officer and director thereof if the applicant is a firm, partnership, association, or corporation, and of every shareholder holding more than 10% of the corporate stock if the applicant is a corporation~~.~~;

(2) A statement of the applicant's assets and liabilities;

(3) The name and address of the applicant's principal place of business at which the books, accounts, and records shall be available for examination by the Comptroller as required by this Act;

(4) The names and addresses of the applicant's branch locations at which pre-need sales shall be conducted and which shall operate under the same license number as the applicant's principal place of business;