

# MAINE STATE LEGISLATURE

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MINORITY

L.D. 1304

Date: 5/20/15

(Filing No. S-108)

INSURANCE AND FINANCIAL SERVICES

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STATE OF MAINE

SENATE

127TH LEGISLATURE

FIRST REGULAR SESSION

COMMITTEE AMENDMENT " A " to S.P. 469, L.D. 1304, Bill, "An Act To Permit Funds for Prearranged Funerals To Be Invested under a Wider Range of Options"

Amend the bill by striking out the title and substituting the following:

'Resolve, To Study Expanding the Permissible Investments for Prearranged Funeral Funds'

Amend the bill by striking out everything after the title and before the summary and inserting the following:

'Sec. 1. Task force established. Resolved: That, notwithstanding Joint Rule 353, the Task Force To Study Expanding the Permissible Investments for Prearranged Funeral Funds, referred to in this resolve as "the task force," is established; and be it further

Sec. 2. Task force membership. Resolved: That the task force consists of 11 members appointed as follows:

1. The Senate chair of the Joint Standing Committee on Insurance and Financial Services;

2. Two members of the Senate, appointed by the President of the Senate, including members from each of the 2 parties holding the largest number of seats in the Legislature;

3. The House chair of the Joint Standing Committee on Insurance and Financial Services;

4. Two members of the House of Representatives, appointed by the Speaker of the House, including members from each of the 2 parties holding the largest number of seats in the Legislature;

5. An independent professional investment advisor who is a certified financial planner, appointed by the Governor;

6. A member of a statewide association of independent funeral directors, appointed by the Governor;

COMMITTEE AMENDMENT

1 7. A representative of corporate-owned funeral homes doing business in this State,  
2 appointed by the Governor;

3 8. A member of a statewide association representing financial institutions, appointed  
4 by the Governor; and

5 9. A member of a statewide association of credit unions, appointed by the Governor;  
6 and be it further

7 **Sec. 3. Chairs. Resolved:** That the first-named Senate member is the Senate  
8 chair and the first-named House of Representatives member is the House chair of the task  
9 force; and be it further

10 **Sec. 4. Appointments; convening of task force. Resolved:** That all  
11 appointments must be made no later than 30 days following the effective date of this  
12 resolve. The appointing authorities shall notify the Executive Director of the Legislative  
13 Council once all appointments have been completed. After appointment of all members,  
14 the chairs shall call and convene the first meeting of the task force. If 30 days or more  
15 after the effective date of this resolve a majority of but not all appointments have been  
16 made, the chairs may convene the task force to meet and conduct its business; and be it  
17 further

18 **Sec. 5. Duties. Resolved:** That the task force shall study the mortuary trust  
19 investments allowed under current law and advise the Legislature of the appropriate  
20 standards to be imposed on mortuary trust investments to best protect individuals who  
21 pay money into a trust both to protect a trust's corpus and to ensure reasonable investment  
22 opportunities to allow that trust to grow. The task force shall study the following issues:

- 23 1. The current forms of mortuary trust investment;
- 24 2. How current forms of mortuary trust investment have changed since the inception  
25 of statutory investment requirements;
- 26 3. The manner in which other states regulate mortuary trust investments;
- 27 4. The manner in which the Maine Public Employees Retirement System makes  
28 investments for comparison purposes;
- 29 5. An analysis of the benefits, if any, to consumers of an expansion of the types of  
30 mortuary trust investments available under current law;
- 31 6. An evaluation of the merits of making changes to the mortuary trust investment  
32 standards; and
- 33 7. Such other issues as the task force considers appropriate; and be it further

34 **Sec. 6. Meetings. Resolved:** That meetings of the task force must be conducted  
35 in public in accordance with the Maine Revised Statutes, Title 1, chapter 13. The task  
36 force shall provide notice of its meetings to the Joint Standing Committee on Insurance  
37 and Financial Services; and be it further

38 **Sec. 7. Staff assistance. Resolved:** That the Legislative Council shall provide  
39 necessary staffing services to the task force; and be it further





# 127th MAINE LEGISLATURE

LD 1304

LR 1443(02)

**An Act To Permit Funds for Prearranged Funerals To Be Invested under a Wider Range of Options**

**Fiscal Note for Bill as Amended by Committee Amendment 'A' (S-108)**  
**Committee: Insurance and Financial Services**  
**Fiscal Note Required: Yes**

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## Fiscal Note

### Legislative Cost/Study

#### Legislative Cost/Study

The general operating expenses of this study are projected to be \$3,250 in fiscal year 2015-16. The Legislature's proposed budget includes \$10,000 in fiscal year 2015-16 for legislative studies. Whether that amount is sufficient to fund all studies will depend on the number of studies authorized by the Legislative Council and the Legislature. If more than 4 meetings are held during the interim the estimated cost for each additional meeting is projected to be \$750 per meeting for legislative per diem and expenses. The additional costs of providing staffing assistance to the study during the interim can be absorbed utilizing existing budgeted staff resources.