

1 STATE OF OKLAHOMA

2 1st Session of the 59th Legislature (2023)

3 HOUSE BILL 2629

By: Sims

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5
6 AS INTRODUCED

7 An Act relating to insurance; amending 36 O.S. 2021,
8 Section 7122, which relates to the Cemetery
9 Merchandise Trust Act; modifying definitions;
10 modifying minimum funding requirement; and providing
11 an effective date.

12 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

13 SECTION 1. AMENDATORY 36 O.S. 2021, Section 7122, is
14 amended to read as follows:

15 Section 7122. As used in the Cemetery Merchandise Trust Act:

16 1. "Cemetery merchandise" means ~~markers, memorials, vases,~~
17 ~~memorial vases, monuments, equipment, crypts, and niches or outer~~
18 ~~enclosures.~~ Cemetery merchandise shall not include the sale of
19 lands or interests therein as grave lots or grave spaces; burial or
20 interment rights; and delivered or installed crypts, and niches ~~or~~
21 ~~outer enclosures;~~

22 2. "Purchase price" means the ~~gross~~ net amount to be paid for
23 cemetery merchandise under the provisions of a prepaid cemetery
24 merchandise contract. Purchase price shall not include finance

1 charges, sales tax, charges for real property interests ~~or~~, charges
2 for credit life insurance, or perpetual care fees;

3 3. "Prepaid cemetery merchandise contract" means any agreement
4 for the sale of cemetery merchandise by an organization which
5 requires payment of the purchase price, in whole or in part, prior
6 to delivery of the cemetery merchandise, which agreement is entered
7 into from and after November 1, 1989;

8 4. "Minimum funding requirement" means that portion of the
9 purchase price equal to ~~one hundred ten percent (110%)~~ one hundred
10 percent (100%) of the wholesale cost, plus delivery charges, of the
11 cemetery merchandise covered in a prepaid cemetery merchandise
12 contract;

13 5. "Organization" means any individual, firm, partnership,
14 trust, corporation, association or entity. Organization shall not
15 include state, county, municipal, township, rural community,
16 religious, fraternal or nonprofit entities, free community burial
17 grounds, county cemetery associations, Indian tribal cemeteries on
18 tribal land and charitable or eleemosynary institutions operating
19 cemeteries in this state;

20 6. ~~"Outer enclosure" means a grave liner, grave box, or grave~~
21 ~~vault;~~

22 7. "Lawn crypt" means a subsurface permanent outer enclosure
23 installed before need in multiple units for the purpose of interring
24 human remains;

1 ~~8.~~ 7. "Financial institution" means a federally insured bank,
2 trust company, or savings and loan association which is authorized
3 to do business in this state;

4 ~~9.~~ 8. "Commissioner" or "Insurance Commissioner" means the
5 Insurance Commissioner of the State of Oklahoma; and

6 ~~10.~~ 9. "Wholesale cost" means an amount determined on the basis
7 of such standard quotations and price lists as are published by the
8 vendor of the cemetery merchandise, without regard to any discounts
9 that may be available to the organization.

10 SECTION 2. This act shall become effective November 1, 2023.

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12 59-1-5424 MJ 12/01/22

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