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April 11, 2022

ENGROSSED HOUSE  
BILL NO. 3007

By: Sims of the House

and

Rogers of the Senate

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

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

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

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

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

2. "Purchase price" means the ~~gross~~ net amount to be paid for cemetery merchandise under the provisions of a prepaid cemetery 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, 2022.

11       COMMITTEE REPORT BY: COMMITTEE ON RETIREMENT AND INSURANCE  
12       April 11, 2022 - DO PASS  
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