



1995 ASSEMBLY BILL 805

January 22, 1996 - Introduced by Representatives WASSERMAN, WALKER, PLACHE, POWERS and LORGE, cosponsored by Senators DARLING and MOEN. Referred to Committee on Insurance, Securities and Corporate Policy.

1 **AN ACT to amend** 157.11 (9g) (a) 1. c. of the statutes; **relating to:** the deposit and
2 investment of cemetery care funds.

Analysis by the Legislative Reference Bureau

Under current law, care funds for cemetery lots that are received by a person who owns or operates a cemetery lot (cemetery authority) are required to be deposited by the cemetery authority in an investment approved by the department of regulation and licensing (DORL) if the funds are not deposited with and invested by a financial institution or the treasurer of the city or county in which the cemetery is located. Care funds for cemetery lots that are deposited by a cemetery authority in an approved investment must be segregated and invested separately from all other moneys received by the cemetery authority.

This bill eliminates the requirement that DORL approve the investment of care funds that are not deposited in a financial institution or with a city or county treasurer, and instead specifies that a cemetery authority may invest care funds for cemetery lots in investments that are considered prudent under the "prudent person rule", which imposes prudent investment requirements. The rule requires a fiduciary to exercise such judgment and care in the management of funds as a prudent person exercises in the management of his or her own affairs.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

3 **SECTION 1.** 157.11 (9g) (a) 1. c. of the statutes is amended to read:
4 157.11 (**9g**) (a) 1. c. If not invested as provided in subd. 1. a. or b., otherwise
5 ~~deposited by the cemetery authority in an investment approved by the department~~

1 invested within the limits of standards contained in s. 881.01, if the care funds are
2 segregated and invested separately from all other moneys held by the cemetery
3 authority.

4 (END)