

HOUSE BILL NO. 225

INTRODUCED BY V. RICCI

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A BILL FOR AN ACT ENTITLED: "AN ACT REVISING FUNERAL TRUST BANKING PROVISIONS; EXTENDING THE TIME PERIOD WITHIN WHICH MONEY MUST BE DEPOSITED; REMOVING A REQUIREMENT THAT A DEPOSITORY ENTITY HAVE ITS PRINCIPAL PLACE OF BUSINESS IN THIS STATE; AND AMENDING SECTION 37-19-828, MCA."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

Section 1. Section 37-19-828, MCA, is amended to read:

"37-19-828. Trust fund -- deposit of money. (1) (a) A party that provides services pursuant to a contract for a prearranged funeral or related services and that receives money under the contract shall deposit the money within ~~3~~ 10 business days of receipt in a banking institution or invest the money in the stock of a savings or building and loan association or in the shares of a credit union.

(b) The banking institution, savings or building and loan association, or credit union must ~~have its principal place of business~~ maintain an office in this state and ~~must~~ be organized under the laws of this state, of another state, or of the United States.

(c) Deposits or investments made as provided in this section must be insured by an instrumentality of the federal government.

(2) Deposits or investments made pursuant to this section constitute a trust fund for the benefit of the person contracting for the prearranged funeral or related services. The money must be placed in a separate account in the name of the depositor as trustee for the person contracting for the prearranged funeral or related services."

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