



# HOUSE BILL 567: North Carolina Cemetery Act Changes.

2015-2016 General Assembly

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<b>Committee:</b>		<b>Date:</b>	July 28, 2016
<b>Introduced by:</b>		<b>Prepared by:</b>	Erika Churchill
<b>Analysis of:</b>	S.L. 2016-83		Staff Attorney

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**OVERVIEW:** *S.L. 2016-83 authorizes certain cemeteries to transfer or encumber a portion of the minimum acreage required to be held by licensed cemeteries for use as a cemetery.*

*This act became effective June 30, 2016.*

**CURRENT LAW:** The North Carolina Cemetery Act (the Act) governs all for-profit cemeteries and grants authority to the North Carolina Cemetery Commission (the Commission) to adopt rules and regulations to enforce the Act.

The Act provides that a legal entity seeking to obtain a license to operate a cemetery must provide the Commission with a full description of the tract of land where the proposed cemetery would be located. The tract must contain at least 30 acres of unencumbered land, unless the tract is located in a county with a population of less than 35,000 people. If the tract is located in a county of less than 35,000 people, the tract need only be 15 acres. G.S. 65-55.

After licensure, the cemetery owner must maintain at least 30 acres to be used as a cemetery and may not sell, mortgage, lease, or encumber that 30 acres. The property contiguous to that 30 acres may be sold or transferred, if it has not been used for burial. G.S. 65-69.

**BILL ANALYSIS:** S.L. 2016-83 allows certain cemeteries to sell, mortgage, lease, or encumber the 30 acres of land required to be held encumbered, without prior approval from the Commission, if all of the following criteria are met:

- Notice is given to the Commission 10 days prior to the transaction.
- The cemetery was licensed by the Commission, or initially incorporated with the North Carolina Secretary of State, between July 2, 1967, and September 1, 1975.
- At the time of licensure or initial incorporation, the population of the county in which the cemetery is located was 45,000 or less people.
- Another private or public cemetery is located within a five mile radius of the cemetery that is subject to the proposed transaction.
- At least 15 acres of cemetery land remain unsold, without encumbrance or lease.
- The purchaser of any of the property sold transfers an amount equal to 10% of the consideration or value of the interest conveyed, on up to 15 acres, to the perpetual care fund within 60 days of the sale.

**EFFECTIVE DATE:** June 30, 2016.

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