



HOUSE BILL 384: Cities/Use of Perpetual Care Trust Funds.

2023-2024 General Assembly

Committee:	House Local Government. If favorable, re- refer to Rules, Calendar, and Operations of the House	Date:	April 4, 2023
Introduced by:	Rep. Tyson	Prepared by:	Billy Godwin Alex Ramirez Staff Attorneys
Analysis of:	First Edition		

OVERVIEW: *House Bill 384 would allow municipalities that create perpetual care trust funds for the purpose of receiving perpetual care trust funds from a cemetery company in connection with a transfer of a cemetery to the municipality to transfer those funds to the general fund or use them for other cemeteries.*

CURRENT LAW: The General Statutes authorize municipalities to create perpetual care trust funds for cemeteries under the ownership or control of the municipalities. Perpetual care trust funds must be kept separate from other municipal funds and may not be used for any purpose except the perpetual care of municipal cemeteries.

The principal balance of the funds must not be spent, and the income from these funds may be used to maintain and beautify municipal cemeteries.

BILL ANALYSIS: House Bill 384 provides that when a city creates a perpetual care trust fund for the sole purpose of accepting funds from a cemetery regulated by the North Carolina Cemetery Commission that has chosen or is required to transfer the cemetery and funds to the city, the city may do either of the following with the principal and income from the transferred funds:

- Transfer them to the municipality's general fund to establish and maintain the cemetery.
- Use them to care for, beautify, or expand any of the city's cemeteries.

EFFECTIVE DATE: The act would be effective when it becomes law.

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