

Colorado Legislative Council Staff Fiscal Note
REVISED NO FISCAL IMPACT

(replaces fiscal note dated March 15, 2012)

Drafting Number: LLS 12-0524

Date: April 26, 2012

Prime Sponsor(s): Rep. McKinley
 Sen. Grantham

Bill Status: Senate Second Reading

Fiscal Analyst: Harry Zeid (303-866-4753)

TITLE: CONCERNING THE ADMINISTRATION OF A NONPROFIT CEMETERY CORPORATION BY PERSONS WHO OWN THE RIGHT TO BURY A DECEASED PERSON WITHIN THE CEMETERY.

This fiscal note is revised to reflect amendments adopted in the Senate Local Government Committee to the reengrossed bill.

Summary of Legislation

As amended by the Senate Local Government Committee, the bill affects the administration of nonprofit cemetery corporations by persons who own the right to bury a deceased person within the cemetery. The bill requires that the board of directors of a nonprofit cemetery include at least one director who owns a lot, grave, space, niche, or crypt. A nonprofit cemetery corporation may wait until the first vacancy on the board of directors after January 1, 2013, before appointing an owner director.

Each nonprofit cemetery corporation is required to keep certain reports and records in its principal office. Upon reasonable request, the corporation must make the reports available for inspection to any owner of a grave space, niche, or crypt. These documents include:

- an annual written report identifying the number of interments and entombments maintained by the nonprofit cemetery corporation for the current and preceding year, and other facts necessary to show the actual financial condition of the corporation;
- a complete and current copy of the bylaws or articles of incorporation;
- the minutes of each meeting of the board of directors for the last three years;
- each periodic report filed during the last three years with the Secretary of State;
- Internal Revenue Service form 990 reports for the last three years; and
- the corporation's current balance sheet, income statement, and cash-flow statement.

Documents must be attested to by the accountant, auditor, or other person preparing the report and verified by a vote of the board of directors. Upon written request, the nonprofit cemetery must provide electronic or physical copies of reports to any owner of a lot, grave space, niche, or crypt. A charge of up to 25 cents per page may be imposed per physical copied page. Electronic pages shall be provided at no charge. An owner may attend any meeting of the board of directors, however, the owner may not participate in the meeting without permission of the chairperson.

The bill becomes effective August 8, 2012, if the General Assembly adjourns on May 9, 2012, as scheduled, and no referendum petition is filed.

Assessment

The bill is assessed as no fiscal impact. The fiscal note assumes that nonprofit cemetery corporations will comply with their duties and responsibilities under the bill, though owners may resort to a civil action in cases of noncompliance. State and local revenue and expenditures are not impacted by the bill.

Departments Contacted

Secretary of State

Judicial

Law