

Senate Fiscal Agency  
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**SFA**

BILL ANALYSIS

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Senate Bill 534 (Substitute S-1 as reported)  
Senate Bill 535 (as reported without amendment)  
Sponsor: Senator Leon Stille  
Committee: Economic Development, International Trade and Regulatory Affairs

## **CONTENT**

Senate Bills 534 (S-1) and 535 would amend, respectively, the Cemetery Regulation Act and Public Act 10 of 1927, which authorizes cemetery corporations to sell or convey property rights to municipal corporations, to allow a court-appointed receiver or conservator to sell, assign, transfer, or convey a cemetery to a municipal corporation (a county, township, city, or village) or another person. The bills are tie-barred.

The Cemetery Regulation Act provides that, when a person or registrant has violated the Act or a rule promulgated or order issued under it, the Director of the Department of Consumer and Industry Services may bring an action in circuit court to enforce compliance. The court may appoint a receiver or conservator.

Senate Bill 534 (S-1) would authorize a receiver or conservator to sell, assign, transfer, or convey a cemetery to a municipal corporation or other person. A cemetery could not be transferred, however, to a licensee in the practice of mortuary science or a person who owned, managed, supervised, operated, or maintained a funeral home. The court also could allow the receiver or conservator to file for protection under the Bankruptcy Code.

Public Act 10 of 1927 allows a corporation that owns a cemetery to sell, assign, transfer, or convey all or part of its assets, rights, franchises, and liabilities to a municipal corporation. Under Senate Bill 535, a sale, assignment, transfer, or conveyance also could be as a result of the disposition of the cemetery and its assets and liabilities under a receivership or conservatorship action under the Cemetery Regulation Act. In addition, the transfer would not require a resolution of the governing board and a special meeting of the stockholders (which Public Act 10 otherwise requires for a transfer).

MCL 456.529 (S.B. 534)  
456.181 & 456.184 (S.B. 535)

Legislative Analyst: P. Affholter

## **FISCAL IMPACT**

The bills would have a little or negligible fiscal impact on local units and no fiscal impact on the State. The most likely fiscal impact on a local unit would occur if a municipal corporation acquired a cemetery. The impact would include revenues of an unknown amount from the operation of the cemetery as well as an unknown level of expenses.

Date Completed: 11-8-01

Fiscal Analyst: D. Zin