

SUBSTITUTE FOR
HOUSE BILL NO. 4456

A bill to amend 1915 PA 58, entitled

"An act to provide for the incorporation of cremation companies and associations; and to impose certain duties upon the department of commerce,"

by amending section 6 (MCL 456.206); and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) A CORPORATION SHALL HAVE THE POWER TO ACQUIRE BY
2 GIFT, DEVISE, OR PURCHASE, AND HOLD IN FEE SIMPLE, LAND THAT IS
3 NECESSARY AND APPROPRIATE FOR ITS PURPOSES.

4 (2) ~~No mortgage or other lien or encumbrance, shall be~~
5 ~~executed upon the lands or buildings of such corporation actually~~
6 ~~used for the disposal of the dead as specified in the provisions of~~
7 ~~this act.~~ A MORTGAGE OR OTHER LIEN OR ENCUMBRANCE SHALL NOT BE

House Bill No. 4456 (H-2) as amended May 3, 2011

EXECUTED UPON THE LANDS OR BUILDINGS OF A COLUMBARIUM.

(3) A MORTGAGE OR OTHER LIEN OR ENCUMBRANCE MAY BE EXECUTED ON THE LAND OR BUILDINGS THAT ARE NOT UNDER OR PART OF A COLUMBARIUM IF, AND ONLY IF, THE CORPORATION, LANDLORD, MORTGAGEE, OR LENDER, AS DETERMINED BY THE CEMETERY COMMISSIONER, FILES AND MAINTAINS IN FORCE A CORPORATE SURETY BOND AND A CASH BOND THAT ARE CONDITIONED UPON THE FAITHFUL PERFORMANCE OF ALL CREMATIONS AND DISPOSITIONS OF CREMATED REMAINS CONTRACTED FOR, BY, OR ON BEHALF OF THE CORPORATION THAT OWNS THE CREMATORIUM. THE SURETY BOND AND CASH BOND SHALL BE IN A SUM DETERMINED BY THE CEMETERY COMMISSIONER, BUT THE SUM TOTAL OF BOTH BONDS SHALL NOT BE LESS THAN \$100,000.00. IN ADDITION, THE SURETY BOND AND CASH BOND ARE SUBJECT TO THE RULES AND REGULATIONS PROMULGATED BY THE CEMETERY COMMISSIONER UNDER THE CEMETERY REGULATION ACT, 1968 PA 251, MCL 456.521 TO 456.543, AND ARE SUBJECT TO THE REGULATION OF CREMATORIALS UNDER THE CEMETERY REGULATION ACT, 1968 PA 251, MCL 456.521 TO 456.543. THE SURETY BOND AND CASH BOND SHALL BE FOR THE BENEFIT OF THE STATE OF MICHIGAN TO ENSURE THE PERFORMANCE OF THE CREMATION AND THE DISPOSITION OF CREMATED REMAINS CONTRACTED FOR, BY, OR ON BEHALF OF THE CORPORATION THAT OWNS THE CREMATORIUM. IF LAND OR BUILDINGS ARE LEASED PURSUANT TO THIS SUBSECTION, THE DURATION OF THE LEASE SHALL BE FOR [NOT LESS THAN] 5 YEARS.

Enacting section 1. Section 4 of 1915 PA 58, MCL 456.204, is repealed.