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An act relating to investment of town cemetery funds

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 18 V.S.A. § 5384 is amended to read:

§ 5384. PAYMENT TO TREASURER; RECORD; INVESTMENT

(a) Unless otherwise directed by the donor, all ~~moneys~~ monies received by a town for cemetery purposes shall be paid to the town treasurer who shall give a receipt therefor, which shall be recorded in the office of the town clerk in a book kept for that purpose. In such book shall also be stated the amount received from each donor, the time when, and the specific purpose to which the use thereof is appropriated.

(b)(1) All ~~moneys~~ monies so received by the town may be invested and reinvested by the treasurer, with the approval of the ~~selectmen~~ selectboard, by deposit in:

(A) banks chartered by the ~~state~~ State;

(B) ~~or in~~ national banks;

(C) bonds of the United States or of municipalities whose bonds are legal investment for banks chartered by the ~~state~~ State;

(D) ~~or in~~ bonds or notes legally issued in anticipation of taxes by a town, village, or city in this ~~state~~ State, or first mortgages on real estate in Vermont;

(E) ~~or in~~ the shares of an investment company, or an investment trust, ~~which~~ such as a mutual fund, closed-end fund, or unit investment trust, that is registered under the federal Investment Company Act of 1940, as amended, if such ~~mutual investment~~ fund has been in operation for at least ~~10~~ five years and has net assets of at least ~~\$10,000,000.00~~ \$100,000,000.00; or

(F) ~~in~~ shares of a savings and loan association of this ~~state~~ State, or share accounts of a federal savings and loan association with its principal office in this ~~state~~ State, when and to the extent to which the withdrawal or repurchase value of such shares or accounts are insured by the Federal Savings and Loan Insurance Corporation.

(2)(A) However, in ~~towns~~ a town that ~~elect~~ elects trustees of public funds, ~~such~~ cemetery funds shall be invested by ~~such~~ the trustees in any of the securities ~~hereinbefore~~ enumerated in this section, and the income thereof paid to the proper officers as the same falls due.

(B) The trustees may delegate management and investment of cemetery funds to the extent that is prudent under the terms of the trust or endowment, and in accordance with Uniform Prudent Management of Institutional Funds Act, 14 V.S.A. § 3415 (delegation of investment functions). An agent exercising a delegated management or investment function shall invest cemetery funds in any of the securities enumerated in this section.

(C) The Investment income ~~therefrom~~ shall be expended for the purpose and in the manner designated by the donor. The provisions of this section as to future investments shall not require the liquidation or disposition of securities legally acquired and held.

Sec. 2. EFFECTIVE DATE

This act shall take effect on July 1, 2017.