



March 12, 2020

Chair Kelley  
Vice Chair Feldman  
Senate Finance Committee  
Miller Senate Office Building, 3 East  
Annapolis, Maryland 21401

**Re: SB 483 – Cemeteries – Perpetual Care – Distribution from Perpetual Care Trust Fund**

Dear Vice Chair Feldman and members of the Senate Finance Committee,

I am writing today in support of Senate Bill 483, a bill proposing to allow another method of distribution from Cemetery Perpetual Care Trust Funds. I am aware that this bill was brought forth before your committee last year, and at that time we sent a representative of our company, ClearPoint Federal Bank & Trust, to testify in support of this legislation.

As a Trustee operating across the United States, including in the state of Maryland, I consider this legislative action to be a necessary effort in support of the long-term sustainability of Perpetual Care Trust Funds. These funds are intended to last in perpetuity in order to support a cemetery's ongoing care and maintenance. Presently, these funds are generally invested in such a way as to maximize income because the law allows only standard income distributions from the trust. Further, the law assumes that the income serves as the primary means by which the cemetery is expected to maintain its grounds. This manner of investing, however, does not always support the long term growth of the fund, and therefore, as a Trustee who has to keep in mind both current and future needs of the cemetery, it is my strong preference to allow for a total return approach to investing and distribution.

In our desire to provide the highest level of fiduciary oversight for the present and future needs of our trusts, our company has served an integral role over the last several years in supporting this type of legislative change across the United States. Private and public foundations, universities and other such endowments of long-standing have utilized this approach to ensure that their organizations have been able to continue to fulfill their missions for generations. Additionally, it is important to note that the total return approach to investing and distribution for other types of "income only" personal trusts became allowable in almost all 50 states in the early 2000s. Perpetual Care trusts, having their own statutory citations, were unfortunately not addressed when this latest shift occurred in trust regulations. In our estimation, it is now time to provide these trusts the same tools and protections which the total return methodology has provided these other types of funds.

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I strongly urge you to support this bill, as it will not only help us, as a Trustee, to fulfill our fiduciary duty to our cemetery clients in the state of Maryland, but will also allow the cemeteries to maximize both current distributions and future growth of the trust. By balancing the interests of the cemetery today with the interests of the cemetery in the future this shall ensure that the families who have laid their loved ones to rest in these cemeteries will find the gravesites and grounds well-maintained for generations to come.

Sincerely,  
CLEARPOINT FEDERAL BANK & TRUST

A handwritten signature in black ink that reads "Ashlee Theising". The signature is written in a cursive style with a large, looping flourish at the end.

Ashlee Theising  
President