

HB 2469 -- Preneed Funeral Contracts

Sponsor: Kuessner

This bill changes the laws regarding preneed funeral contracts. In its main provisions, the bill:

(1) Revises the definition of "preneed contract" as any agreement, contract, or plan requiring the payment of money in a lump sum or installments which is made or entered into with any person for the final disposition of a dead human body, for funeral or burial services, or the furnishing of funeral merchandise where the delivery of the funeral merchandise or the furnishing of services is not immediately required;

(2) Allows for a hardship exemption for maintaining a preneed trust at the discretion of the State Board of Embalmers and Funeral Directors in the Division of Professional Registration within the Department of Insurance, Financial Institutions, and Professional Registration;

(3) Requires all funds received as payment on a preneed contract to be deposited into the seller's trust account within three business days of receipt;

(4) Authorizes the trustee certain powers regarding the removal and replacement of financial advisors;

(5) Allows preneed contracts to be funded by whole life insurance policies in lieu of the preneed trusts; and

(6) Specifies the powers and duties of the Attorney General, division, and state board regarding administrative, civil, and criminal actions against licensees.