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## OLR Bill Analysis

### SB 848

#### ***AN ACT CONCERNING FUNERAL SERVICE CONTRACTS AND CEMETERIES.***

#### **SUMMARY**

This bill eliminates the \$8,000 cap on the maximum allowable amount of an irrevocable funeral service contract (see BACKGROUND).

The bill also eliminates the prohibition on selling crypts or rooms in a public mausoleum or niches in a public columbarium before the structures are completed. By law, columbaria and mausolea, subject to Department of Public Health and land use controls, may be operated by municipalities, ecclesiastical societies, or cemetery associations or corporations in established cemeteries.

EFFECTIVE DATE: July 1, 2019, except a conforming change is effective October 1, 2019.

#### **BACKGROUND**

##### ***Funeral Service Contracts***

A funeral service contract is a contract requiring compensation in exchange for funeral, burial, or related services or items which are not immediately needed. Compensation may be paid as money, the delivery of securities, or the assignment of a life insurance policy's death benefit. These contracts are sometimes referred to as "prepaid" or "pre-need" funeral service contracts because the individual is paying for services to be provided in the future.

#### **COMMITTEE ACTION**

General Law Committee

Joint Favorable

Yea 16    Nay 0    (03/05/2019)

