SESSION OF 2006

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2824

As Recommended by House Committee on Financial Institutions

Brief*

HB 2824 would amend existing requirements for pre-arranged funeral agreements by eliminating the waiting requirement. The requirement had allowed that the balance remaining in the individual's account which the pre-arranged agreement was paid would not be paid until the expiration of at least five days after the date of death of the individual for who services the funds were paid.

Background

The bill was introduced by the Committee on Health and Human Services at the request of the Kansas Funeral Directors and Embalmers Association whose representative indicated that the removal of the waiting period would level the playing field between financial institutions and insurance companies when it comes to funding pre-arranged funeral agreements. The law, the representative noted, would remain in place that requires that acceptable proof of death and a verified statement setting forth the terms and conditions of the agreement have been fully performed have been provided to the financial institution.

The fiscal note prepared by the Division of the Budget indicates that passage of the bill would allow funeral directors to receive payment for services and merchandise from pre-arranged funeral accounts more quickly than they are allowed to do under current law. The bill was not anticipated to have any other fiscal effect.

^{*}Supplemental notes are prepared by the Legislative Research Department and do not express legislative intent. The supplemental note and fiscal note for this bill may be accessed on the Internet at http://www.kslegislature.org