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**OFA Bill Analysis**

**HB 5381**

***AN ACT ESTABLISHING AN ACCOUNT TO COMPENSATE VICTIMS OF UNLAWFUL FUNERAL SERVICE PRACTICES.***

**SUMMARY:**

The bill establishes a separate, non-lapsing account, called the "Funeral Service Compensation Account." The account must contain (1) any amounts appropriated or made available by the state, (2) any monies required to be deposited in the account, and (3) gifts, grants, donations, or bequests. Investment earnings shall become part of the assets of the account and the State Treasurer is required to administer the account.

Under the bill the Department of Consumer Protection (DCP) must use the funds in the account to make grants to eligible persons who were victims of fraudulent or unlawful practices when purchasing funeral services. DCP must establish the requirements for obtaining and issuing a grant and DCP cannot provide a grant that exceeds the balance of funds in the account.

Lastly, the bill allows DCP to deduct and retain up to two percent of the balance in the account for costs incurred by the department for administering the account.

EFFECTIVE DATE: July 1, 2026

**COMMITTEE ACTION**

Appropriations Committee

Joint Favorable Substitute

Yea 49 Nay 2 (04/01/2026)