



General Assembly

**Amendment**

February Session, 2026

LCO No. 4913



Offered by:

REP. NUCCIO, 53<sup>rd</sup> Dist.

REP. BAKER, 124<sup>th</sup> Dist.

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To: Subst. House Bill No. 5381

File No. 637

Cal. No. 428

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

1 Strike everything after the enacting clause and substitute the  
2 following in lieu thereof:

3 "Section 1. (NEW) (*Effective from passage*) (a) As used in this section:

4 (1) "Funeral service contract" means a funeral service contract, as  
5 defined in section 42-200 of the general statutes, that is entered into on  
6 or before July 1, 2026;

7 (2) "Beneficiary" has the same meaning as provided in section 42-200  
8 of the general statutes;

9 (3) "Purchaser" has the same meaning as provided in section 42-200  
10 of the general statutes; and

11 (4) "Eligible person" means a beneficiary or purchaser of a funeral

12 service contract, the estate of a beneficiary or a legally authorized agent  
13 of a beneficiary.

14 (b) There is established a separate, nonlapsing account to be known  
15 as the "funeral service guaranty account". The account shall contain (1)  
16 any amounts appropriated or otherwise made available by the state for  
17 the purposes of this section, (2) any moneys required by law to be  
18 deposited in the account, and (3) gifts, grants, donations or bequests  
19 made for the purposes of this section. Investment earnings credited to  
20 the assets of the account shall become part of the assets of the account.  
21 The State Treasurer shall administer the account.

22 (c) All moneys deposited in the account shall be used by the  
23 Department of Consumer Protection for the purposes of this section.  
24 The Commissioner of Consumer Protection may deduct and retain from  
25 the moneys in the account an amount equal to the costs incurred by the  
26 department in administering the provisions of this section, including  
27 personnel expenses, except said amount shall not exceed two per cent  
28 of the balance in the account in any fiscal year.

29 (d) Beginning on and after July 1, 2027, the Commissioner of  
30 Consumer Protection shall use the funeral service guaranty account to  
31 provide restitution to eligible persons who were victims of fraudulent  
32 or otherwise unlawful practices involving moneys paid pursuant to a  
33 funeral service contract. The department shall not provide any  
34 restitution that exceeds the balance available for restitution in the  
35 account.

36 (e) To make a claim for payment from the account, an eligible person  
37 shall submit to the Department of Consumer Protection the following:  
38 (1) A copy of the original funeral service contract; (2) proof of any  
39 funeral services provided under the funeral service contract; (3) proof of  
40 status as an eligible person pursuant to subsection (a) of this section; and  
41 (4) proof of any payment for funeral or burial services not provided in  
42 the funeral service contract. The commissioner may consider any  
43 superior court or small claims court order entered against the provider

44 of the funeral service contract with the eligible person but shall not  
45 require the submission of such an order.

46 (f) To preserve the integrity of the funeral service guaranty account,  
47 the commission may order payment from the account of an amount less  
48 than the eligible person's actual loss or damages incurred or less than  
49 the order of restitution awarded by the commissioner. No payment shall  
50 be made from the account in an amount of more than ten thousand  
51 dollars for any one funeral service contract.

52 (g) If the amount deposited in the account is insufficient to satisfy any  
53 duly authorized claim or portion thereof, the commissioner shall, when  
54 sufficient funds have been deposited in the account, satisfy such unpaid  
55 claims or portions thereof in the order that such claims or portions  
56 thereof were determined.

57 (h) Whenever the commissioner has caused any amount to be paid  
58 from the account to an eligible person, the commissioner shall be  
59 subrogated to all the rights of the eligible person up to the amount paid  
60 plus reasonable interest and, prior to receipt of any payment from the  
61 account, the eligible person shall assign all of this right, title and interest  
62 in the claim up to the amount to the commissioner, and any amount and  
63 interest recovered by the commissioner on the claim shall be deposited  
64 to the account.

65 (i) If the commissioner orders the payment of any amount to an  
66 eligible person against the provider of a funeral service contract, the  
67 commissioner shall determine whether such provider is possessed of  
68 assets liable to be sold or applied in satisfaction of the claim on the  
69 account. If the commissioner discovers any such assets, the  
70 commissioner may request that the Attorney General take any action  
71 necessary for reimbursement to the account.

72 (j) The commissioner shall adopt regulations, in accordance with the  
73 provisions of chapter 54 of the general statutes, concerning the  
74 requirements for obtaining restitution under this section and a process

75 for issuing restitution to eligible persons. Such regulations shall be  
76 proposed not later than April 1, 2028, or ninety days after the issuance  
77 of the final report from the funeral service working group, established  
78 pursuant to section 3 of this act, whichever is earlier. Notwithstanding  
79 the provisions of sections 4-168 to 4-172, inclusive, of the general  
80 statutes, in order to effectuate the provisions of this section, prior to  
81 adopting such regulations and not later than June 1, 2027, the  
82 commissioner shall adopt policies and procedures to implement the  
83 provisions of this section. Not later than June 1, 2027, the commissioner  
84 shall implement policies and procedures necessary to administer the  
85 provisions of this section while in the process of adopting such policies  
86 and procedures as regulations, provided the department posts such  
87 policies and procedures on the eRegulations System prior to adopting  
88 them. Policies and procedures implemented pursuant to this section  
89 shall be valid until regulations are adopted in accordance with the  
90 provisions of chapter 54 of the general statutes.

91 Sec. 2. Subsection (b) of section 42-200 of the general statutes is  
92 repealed and the following is substituted in lieu thereof (*Effective July 1,*  
93 *2026*):

94 (b) A funeral service contract shall be in writing and shall contain,  
95 except as provided in subsection (c) of this section; [ the following:]

96 (1) The name, address, telephone number and Social Security number  
97 of the beneficiary and the purchaser;

98 (2) The name, address, telephone number and license number of the  
99 funeral director for the funeral service establishment providing the  
100 goods or services;

101 (3) A list of the selected goods or services, if any;

102 (4) The amount of funds paid or to be paid by the purchaser for such  
103 contract, the method of payment and a description of how such funds  
104 will be invested and how such investments are limited to those  
105 authorized pursuant to subsection (c) of section 42-202;

106 (5) A description of any price guarantees by the funeral service  
107 establishment or, if there are no such guarantees, a specific statement  
108 that the contract contains no guarantees on the price of the goods or  
109 services contained in the contract;

110 (6) The name and address of the escrow agent designated to hold the  
111 prepaid funeral services funds;

112 (7) A written representation, in clear and conspicuous bold type, that  
113 the purchaser should receive a notice from the escrow agent  
114 acknowledging receipt of the initial deposit and the amount of such  
115 deposit not later than twenty-five days after receipt of such deposit by  
116 a licensed funeral director;

117 (8) A description of any fees to be paid from the escrow account to  
118 the escrow agent or any third party provider;

119 (9) A description of the ability of the purchaser or the beneficiary to  
120 cancel a revocable funeral service contract and the effect of cancelling  
121 such contract;

122 (10) For irrevocable contracts, a description of the ability of the  
123 beneficiary to transfer such contract to another funeral home; [and]

124 (11) The signature of the purchaser or authorized representative and  
125 the licensed funeral director of the funeral service establishment; and

126 (12) A statement signed by the purchaser attesting that, prior to  
127 executing such contract, the purchaser received (A) a copy of the fact  
128 sheet on funeral service contracts published on the Department of  
129 Consumer Protection's Internet web site, and (B) time to review such  
130 fact sheet.

131 Sec. 3. (NEW) (*Effective from passage*) (a) There is established a  
132 working group to study issues related to prepaid funeral service  
133 contracts, the creation of consumer protections for purchasers of such  
134 contracts or their agents, and the establishment and implementation of

135 a guaranty fund for consumers who purchase such contracts.

136 (b) The working group shall consist of the following members:

137 (1) One appointed by the House chairperson of the joint standing  
138 committee of the General Assembly having cognizance of matters  
139 relating to consumer protection;

140 (2) One appointed by the Senate chairperson of the joint standing  
141 committee of the General Assembly having cognizance of matters  
142 relating to consumer protection;

143 (3) One appointed by the House ranking member of the joint standing  
144 committee of the General Assembly having cognizance of matters  
145 relating to consumer protection;

146 (4) One appointed by the Senate ranking member of the joint standing  
147 committee of the General Assembly having cognizance of matters  
148 relating to consumer protection;

149 (5) The Commissioner of Consumer Protection, or the commissioner's  
150 designee;

151 (6) The Commissioner of Public Health, or the commissioner's  
152 designee;

153 (7) The Insurance Commissioner, or the commissioner's designee;

154 (8) The Banking Commissioner, or the commissioner's designee;

155 (9) The Probate Court Administrator, or the administrator's designee;

156 (10) A representative of an association representing funeral directors,  
157 who shall be appointed jointly by the chairpersons of the joint standing  
158 committee of the General Assembly having cognizance of matters  
159 relating to consumer protection;

160 (11) A representative of an association representing banks, who shall

161 be appointed jointly by the chairpersons of the joint standing committee  
162 of the General Assembly having cognizance of matters relating to  
163 consumer protection; and

164 (12) A representative of an association representing insurance  
165 companies, who shall be appointed jointly by the chairpersons of the  
166 joint standing committee of the General Assembly having cognizance of  
167 matters relating to consumer protection.

168 (c) Any member of the working group appointed under subdivision  
169 (1), (2), (3) or (4) of subsection (b) of this section may be a member of the  
170 General Assembly, provided any member of the working group  
171 appointed under said subdivisions who is a member of the General  
172 Assembly shall serve as a nonvoting member of the working group  
173 unless such member is selected to serve as a chairperson of the working  
174 group, in which case such member shall have a vote on the working  
175 group.

176 (d) All initial appointments to the working group shall be made not  
177 later than thirty days after the effective date of this section. Any vacancy  
178 shall be filled by the appointing authority.

179 (e) The chairpersons of the joint standing committee of the General  
180 Assembly having cognizance of matters relating to consumer protection  
181 shall select two chairpersons of the working group from among the  
182 members of the working group appointed under subdivision (1), (2), (3)  
183 or (4) of subsection (b) of this section. Such chairpersons shall schedule  
184 the first meeting of the working group, which shall be held not later than  
185 sixty days after the effective date of this section. The working group  
186 shall meet not less frequently than monthly and may meet at such other  
187 times as the chairpersons, in their discretion, deem necessary.

188 (f) The administrative staff of the joint standing committee of the  
189 General Assembly having cognizance of matters relating to consumer  
190 protection shall serve as administrative staff of the working group.

191 (g) Not later than December 1, 2027, the working group shall submit

192 an initial report on its findings and recommendations to the joint  
193 standing committee of the General Assembly having cognizance of  
194 matters relating to consumer protection, in accordance with the  
195 provisions of section 11-4a of the general statutes.

196 (h) Not later than January 1, 2027, the working group shall submit a  
197 final report on its findings and recommendations to the joint standing  
198 committee of the General Assembly having cognizance of matters  
199 relating to consumer protection, in accordance with the provisions of  
200 section 11-4a of the general statutes. The working group shall terminate  
201 on the date that it submits such final report or January 1, 2028,  
202 whichever is later."

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>from passage</i>	New section
Sec. 2	<i>July 1, 2026</i>	42-200(b)
Sec. 3	<i>from passage</i>	New section