



## MISSOURI SENATE

JEFFERSON CITY

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**A Weekly Column for the  
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# Pre-Need Funeral Contracts

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JEFFERSON CITY – During the interim, when the legislature was not in session, I served on a committee created by the legislature to study the issue of pre-need funeral contracts. Interim committees are often created by lawmakers to study complex issues when the General Assembly is not in session. These committees typically hold meetings and public hearings across the state to get input from a wide cross-section of Missourians. As the new legislative session approaches, each of these committees drafts a summary of its findings to present to the entire legislature, and these reports often will include suggestions for legislative remedies to any problems that need to be corrected.

The 14-member Joint Committee on Pre-need Funeral Contracts on which I served was created with the passage of Senate Bill 788 in 2008. The committee was ordered to make a comprehensive study of the consumer and economic impacts of the pre-need funeral contract industry in Missouri, and then to determine whether or not any changes in state law are needed. These are important issues that all of us will deal with at some point in our lives, and lawmakers just want to make sure Missouri consumers do not face unnecessary financial difficulties or contract disputes with regard to funerals.

The failure of some funeral homes to uphold pre-need funeral contracts led to an investigation into the practices of contract providers and to the creation of our interim committee.

This week the Financial and Governmental Organizations and Elections Committee held a public hearing on Senate Bill 1, which establishes licensing and contract requirements for pre-need funeral contract sellers, providers, and seller agents.

There are three main concerns: the way in which pre-need funeral contracts are financed, the ability of consumers to obtain a refund, and the inordinate amount of paperwork involved in the contractual agreements.

Those who testified in favor of SB 1 said it would be better to place 100%, instead of 85%, of the money from a pre-need funeral contract into a trust rather than into a regular bank account. The bill also makes it easier for consumers to cancel the contract and get their money back.

I think there is a lot of value in planning ahead and pre-need funeral contracts are one way to prepare for the inevitable. It's very difficult for folks who have just lost a loved one to try to deal with all of the funeral arrangements, so having everything lined up in advance just eases the burden on surviving family members. Still, it's important to make sure those advance arrangements are on the up and up, and Senate Bill 1 goes a long way toward ensuring that.

If you have any questions or comments about this or any other issue, give my Capitol office a call at (573) 751-7852, send me an email at [wes.shoemyer@senate.mo.gov](mailto:wes.shoemyer@senate.mo.gov), or drop a line to Room 434, State Capitol, 201 West Capitol Ave., Jefferson City, MO 65101.