

SESSION OF 2021

SUPPLEMENTAL NOTE ON HOUSE BILL NO. 2254

As Amended by House Committee on Health
and Human Services

Brief*

HB 2254, as amended, would increase the monetary cap on irrevocable prearranged funeral agreements, contracts, or plans to \$10,000.

Current law allows such funeral agreements, contracts, or plans to be irrevocable as to the retail price of a casket, urn, and outside burial container, and as to the first \$7,000 of funds paid and set aside at the direction of the purchaser.

The bill would also make technical amendments.

Background

The bill was introduced by the House Committee on Health and Human Services at the request of Representative Eplee on behalf of the Kansas Funeral Directors Association.

House Committee on Health and Human Services

In the House Committee hearing on the bill, **proponent** testimony was provided by a representative of the Kansas Funeral Directors Association. The proponent stated the current \$7,000 monetary cap on the amount of funds a person can place in an irrevocable prearranged funeral agreement had not been modified since 2010. The proponent stated the majority of states have no monetary cap on the

*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>

amount that may be placed in an irrevocable prearranged funeral agreement. She said in Kansas, any funds remaining in the account after the payment of funeral expenses are returned to the estate or to the State's Estate Recovery Unit to the extent of Medicaid medical expenses expended, which would benefit the State. The proponent was in agreement with a proposed amendment to increase the monetary cap to \$10,000 instead of removing it.

No other testimony was provided.

The House Committee amended the bill by reinserting stricken language referencing the retail price of a casket, urn, and outside burial container and increasing the monetary cap to the first \$10,000 of funds paid, instead of removing the monetary cap as proposed in the bill as introduced.

Fiscal Information

According to the fiscal note prepared by the Division of the Budget on the bill, as introduced, the Kansas Insurance Department and the Board of Mortuary Arts stated enactment of the bill would have no fiscal effect.

Irrevocable prearranged funeral agreements; monetary cap increase; Board of Mortuary Arts