



HR0177 Enrolled

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HOUSE RESOLUTION 177

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WHEREAS, Pre-arrangement plans for funerals and burials or other means of final disposition have increasingly become embattled in controversy in the State of Illinois; and

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WHEREAS, The types of investment plans chosen by pre-need sellers have come under increased scrutiny, including but not limited to investments in life insurance policies, trust accounts, and other funding means; and

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WHEREAS, A lack of oversight has resulted in certain investments by the Illinois Funeral Director's Association losing millions of dollars of consumer trust funds and all accounts being marked down to compensate for the losses; and

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WHEREAS, Litigation has been filed and criminal investigations have been ongoing accusing both Trust and Pre-Need life insurance companies of a "pattern and practice of deceit"; and

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WHEREAS, A growing number of individuals who have contracted pre-arranged funeral and burial services are discovering that the funds deposited as part of the pre-need sales contract do not adequately cover the costs of the funeral and burial pre-arrangements chosen by the consumer; therefore,

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1 be it

2 RESOLVED, BY THE HOUSE OF REPRESENTATIVES OF THE
3 NINETY-SIXTH GENERAL ASSEMBLY OF THE STATE OF ILLINOIS, that
4 the Funeral and Burial Pre-Arrangement Investigation Task
5 Force be created within the Department of Financial and
6 Professional Regulation to investigate and study the reasons
7 for losses of the Pre-Need Funeral Trust Fund of the Illinois
8 Funeral Directors and any and all other Funeral and Burial
9 Pre-Need funding plans and investments offered in Illinois; and
10 be it further

11 RESOLVED, That the Task Force make recommendations for the
12 oversight and operation of all funeral and burial pre-need
13 programs offered by whatever funding means, and develop
14 possible new licenses and continuing education components to
15 protect the consumer and profession, and to educate sellers in
16 the industry, in the State of Illinois; and be it further

17 RESOLVED, That the Task Force shall consist of the
18 following members: 3 members appointed by the Speaker of the
19 House of Representatives and 3 members appointed by the
20 Minority Leader of the House of Representatives (one of the 6
21 appointed House members shall be appointed chairperson); one
22 member appointed by the State Comptroller; one member appointed
23 by the Director of the Cemetery Care and Burial Trust Division

1 of the State Comptroller's Office; one member appointed by the
2 Director of the Division of Insurance within the Department of
3 Financial and Professional Regulation; and one member
4 appointed by the Secretary of the Department of Financial and
5 Professional Regulation; and be it further

6 RESOLVED, That the Task Force take voluntary assistance and
7 testimony from legal and professional organizations and
8 institutions; and be it further

9 RESOLVED, That the members of the Task Force shall serve
10 without compensation, but may be reimbursed for actual expenses
11 incurred while serving on the Task Force from funds
12 appropriated to the Department of Financial and Professional
13 Regulation for that purpose; and be it further

14 RESOLVED, That the Task Force take testimony from past and
15 present Board members of the Illinois Funeral Directors
16 Association regarding their investment of Pre-Need Funeral
17 Trust Fund moneys, the collection of administrative fees, the
18 crediting of excessive interest to member accounts, the
19 pre-need contracts of consumers, and other policies that
20 threatened the solvency of the Pre-Need Funeral Trust Fund; and
21 be it further

22 RESOLVED, That the Task Force shall submit its final report

1 to the Governor and the General Assembly by December 31, 2009.