



104TH GENERAL ASSEMBLY

State of Illinois

2025 and 2026

SB2440

Introduced 2/7/2025, by Sen. Mike Porfirio

SYNOPSIS AS INTRODUCED:

225 ILCS 45/1	from Ch. 111 1/2, par. 73.101
225 ILCS 45/1a	from Ch. 111 1/2, par. 73.101a
225 ILCS 45/2c new	
225 ILCS 45/10	from Ch. 111 1/2, par. 73.110

Amends the Illinois Funeral or Burial Funds Act. Defines the term "transportation protection agreement". Provides that the Illinois Insurance Code does not apply to any transportation protection agreement sold by any seller. Provides that nothing in the Act shall be deemed to apply to (1) merchandise that is delivered within 30 days of purchase, (2) a transportation protection agreement, or (3) pre-need cemetery sales (currently only pre-need cemetery sales) under the Illinois Pre-Need Cemetery Sales Act. Makes a change to a provision concerning payments under pre-need contracts.

LRB104 11866 JDS 21956 b

1 AN ACT concerning regulation.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 5. The Illinois Funeral or Burial Funds Act is
5 amended by changing Sections 1, 1a, and 10 and by adding
6 Section 2c as follows:

7 (225 ILCS 45/1) (from Ch. 111 1/2, par. 73.101)

8 Sec. 1. Payment under pre-need contract. Except as
9 otherwise provided in this Section, all sales proceeds paid to
10 any person, partnership, association or corporation with
11 respect to merchandise or services covered by this Act, upon
12 any agreement or contract, or any series or combination of
13 agreements or contracts, which has for a purpose the
14 furnishing or performance of funeral services, or the
15 furnishing or delivery of any personal property, merchandise,
16 or services of any nature in connection with the final
17 disposition of a dead human body, including, but not limited
18 to, outer burial containers, urns, combination casket-vault
19 units, caskets and clothing, for future delivery ~~use~~ at a time
20 determinable by the death of the person or persons whose body
21 or bodies are to be so disposed of, shall be held to be trust
22 funds, and shall be placed in trust in accordance with
23 Sections 1b and 2, or shall be used to purchase life insurance

1 or annuities in accordance with Section 2a. The person,
2 partnership, association or corporation receiving said
3 payments under a pre-need contract is hereby declared to be a
4 trustee thereof until deposits of funds are made in accordance
5 with Section 1b or 2a of this Act.

6 Nothing in this Act shall be construed to prohibit the
7 inclusion of outer burial containers in sales contracts under
8 the Illinois Pre-Need Cemetery Sales Act.

9 (Source: P.A. 96-879, eff. 2-2-10.)

10 (225 ILCS 45/1a) (from Ch. 111 1/2, par. 73.101a)

11 Sec. 1a. For the purposes of this Act, the following terms
12 shall have the meanings specified, unless the context clearly
13 requires another meaning:

14 "Beneficiary" means the person specified in the pre-need
15 contract upon whose death funeral services or merchandise
16 shall be provided or delivered.

17 "Licensee" means a seller of a pre-need contract who has
18 been licensed by the Comptroller under this Act.

19 "Outer burial container" means any container made of
20 concrete, steel, wood, fiberglass or similar material, used
21 solely at the interment site, and designed and used
22 exclusively to surround or enclose a separate casket and to
23 support the earth above such casket, commonly known as a
24 burial vault, grave box or grave liner, but not including a
25 lawn crypt as defined in the Illinois Pre-need Cemetery Sales

1 Act.

2 "Parent company" means a corporation owning more than 12
3 cemeteries or funeral homes in more than one state.

4 "Person" means any person, partnership, association,
5 corporation, or other entity.

6 "Pre-need contract" means any agreement or contract, or
7 any series or combination of agreements or contracts, whether
8 funded by trust deposits or life insurance policies or
9 annuities, which has for a purpose the furnishing or
10 performance of funeral services or the furnishing or delivery
11 of any personal property, merchandise, or services of any
12 nature in connection with the final disposition of a dead
13 human body. Nothing in this Act is intended to regulate the
14 content of a life insurance policy or a tax-deferred annuity.

15 "Provider" means a person who is obligated for furnishing
16 or performing funeral services or the furnishing or delivery
17 of any personal property, merchandise, or services of any
18 nature in connection with the final disposition of a dead
19 human body.

20 "Purchaser" means the person who originally paid the money
21 under or in connection with a pre-need contract.

22 "Sales proceeds" means the entire amount paid to a seller,
23 exclusive of sales taxes paid by the seller, finance charges
24 paid by the purchaser, and credit life, accident or disability
25 insurance premiums, upon any agreement or contract, or series
26 or combination of agreements or contracts, for the purpose of

1 performing funeral services or furnishing personal property,
2 merchandise, or services of any nature in connection with the
3 final disposition of a dead human body, including, but not
4 limited to, the retail price paid for such services and
5 personal property and merchandise.

6 "Purchase price" means sales proceeds less finance charges
7 on retail installment contracts.

8 "Seller" means the person who sells or offers to sell the
9 pre-need contract to a purchaser, whether funded by a trust
10 agreement, life insurance policy, or tax-deferred annuity.

11 "Transportation protection agreement" means an agreement
12 that primarily provides or arranges for services related to
13 the preparation for the purpose of transportation and
14 subsequent transportation of human remains or cremated
15 remains.

16 "Trustee" means a person authorized to hold funds under
17 this Act.

18 (Source: P.A. 92-419, eff. 1-1-02.)

19 (225 ILCS 45/2c new)

20 Sec. 2c. Transportation protection agreements. The
21 Illinois Insurance Code does not apply to any transportation
22 protection agreement sold by any seller.

23 (225 ILCS 45/10) (from Ch. 111 1/2, par. 73.110)

24 Sec. 10. Nothing in this Act shall be deemed to apply to

1 (1) merchandise that is delivered within 30 days of purchase,
2 (2) a transportation protection agreement, or (3) pre-need
3 cemetery sales under the "Illinois Pre-Need Cemetery Sales
4 Act", enacted by the 84th General Assembly.
5 (Source: P.A. 85-293.)