

SB1842



101ST GENERAL ASSEMBLY

State of Illinois

2019 and 2020

SB1842

Introduced 2/15/2019, by Sen. Paul Schimpf

SYNOPSIS AS INTRODUCED:

225 ILCS 45/1a-2

Amends the Illinois Funeral or Burial Funds Act. Removes language that provides that the Pre-Need Funeral Consumer Protection Fund shall not be applied toward any restitution for losses in lawsuits initiated by the Attorney General or Comptroller or with respect to certain claims made on pre-need contracts.

LRB101 07676 JRG 52724 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

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 Section 1a-2 as follows:

6 (225 ILCS 45/1a-2)

7 Sec. 1a-2. Pre-Need Funeral Consumer Protection Fund.

8 (a) Each licensee shall pay a fee of \$5 out of the funds
9 received for each pre-need contract sold and shall forward this
10 sum to the Comptroller semi-annually within 30 days of the end
11 of June and December. Fees collected under this Section shall
12 be deposited into the Pre-need Funeral Consumer Protection
13 Fund, which is hereby created as a special fund in the State
14 treasury. Moneys in the Fund may be expended for the purposes
15 specified in subsection (b) and to purchase insurance to cover
16 losses guaranteed by the Fund.

17 (b) In the event that the purchaser is unable to receive
18 the benefits of his or her pre-need contract or to receive the
19 funds due by reason of cancellation of the contract, the
20 purchaser may apply to the Comptroller on a form prescribed by
21 the Comptroller for restitution from the Pre-need Funeral
22 Consumer Protection Fund. Upon a finding by the Comptroller
23 that the benefits or return of payment is not available to the

1 purchaser, the Comptroller may cause restitution to be paid to
2 the purchaser from the Pre-need Funeral Consumer Protection
3 Fund.

4 (c) In all such cases where a purchaser is paid restitution
5 from the Fund, the Comptroller shall be subrogated to that
6 purchaser's claims against the licensee for all amounts paid
7 from the Fund. If the licensee's liability for default is
8 subsequently proven, any award made by a court of law shall be
9 made payable to the Pre-need Funeral Consumer Protection Fund
10 up to the amount paid to the purchaser from the Fund and the
11 Comptroller shall request that the Attorney General engage in
12 all reasonable post-judgment collection steps to collect such
13 claims from the judgment debtor and reimburse the Fund.

14 (d) (Blank). ~~The Fund shall not be applied toward any~~
15 ~~restitution for losses in any lawsuit initiated by the Attorney~~
16 ~~General or Comptroller or with respect to any claim made on a~~
17 ~~pre need contract that occurred prior to the effective date of~~
18 ~~this amendatory Act of the 96th General Assembly.~~

19 (e) Notwithstanding any other provision of this Section,
20 the payment of restitution from the Fund shall be a matter of
21 grace and not of right and no purchaser shall have any vested
22 right in the Fund as a beneficiary or otherwise.

23 (f) The Fund may not be allocated for any purpose other
24 than that specified in this Act.

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