

Fact Sheet: House Bill 25-1217

Funeral Services & Consumer Protections

Sponsors: Rep. Soper, Rep. Titone, Sen. Catlin, Sen. Roberts

Bill Overview

House Bill 25-1217 aims to strengthen consumer protections for individuals using funeral services in Colorado. It clarifies the distinction between transportation protection agreements and preneed contracts while establishing legal consequences for funeral directors who misappropriate client funds.

Key Provisions

1. Clarification of Preneed Contracts

- Defines a preneed contract as an agreement ensuring funeral services and associated goods & services are provided upon a beneficiary's death.
- Makes clear that transport services are not part of the Preneed contracts.
- Excludes Transportation Protection Agreements (TPAs) from preneed contracts.
- A Transportation Protection Agreement is defined as an agreement primarily for the coordination and arrangement of the transport of human remains.
 - Eg. A person dies in California and the TPA covers the transport of the body to the funeral home where the Preneed contract is held.

2. Consumer Protection Measures

- Establishes theft of client funds by a funeral director as a deceptive trade practice under the Colorado Consumer Protection Act (CCPA).
- Makes it an unlawful act under the Mortuary Science Code for funeral directors to steal money paid by clients for funeral services.

3. Legal Consequences for Violations

- Funeral directors who commit theft of client funds may face penalties under:
 - Colorado Consumer Protection Act (CCPA)
 - Mortuary Science Code
 - Adds theft of client funds to the list of unfair or deceptive trade practices under Colorado law.

Impact

- ✓ Protects consumers from fraudulent funeral service practices.
- ✓ Clarifies legal distinctions between different types of funeral service agreements.
- ✓ Holds funeral directors accountable for misappropriation of funds.