

House Republican Press Release

August 20, 2008
Press Office: 860-240-8700

Rep. Giegler Calls For Legislative Group To Address Funeral Home Issues



Area Residents May Be Due Reimbursement For Unclaimed Pre-Need Contracts At Former Danbury facility

State Rep. Janice Giegler (R-Danbury, New Fairfield) today called for a legislative working group to study issues associated with ‘pre-need’ funeral home contracts and recommend legislation for the 2009 Legislative Session to have funeral homes register their pre-need contracts with the state Department of Consumer Protection (DCP).

In 2002, upon knowledge of an investigation and pending action by the State of Connecticut’s Department of Public Health, the owner of Tomlinson Homestead and New Fairfield Funeral Home surrendered his embalmers license as well as the licenses for both funeral homes. A subsequent investigation discovered numerous problems. One issue discovered was that a number of residents held existing ‘pre-need’ contracts with the Danbury facility, which funded funerals through Access Financial in Chicago, Illinois. When Tomlinson closed, many of their trust agreements were moved to other funeral homes, with families later discovering that their funerals were never funded or they were not funded in the amount they had previously allocated.

Rep. Giegler said she recently learned the state Department of Public Health has been notified by Access Financial/Interment Trust Services a significant amount of monies, potentially in excess of \$100,000, remains on deposit with them has never been transferred to the other funeral homes after Tomlinson’s closure. At the time of closure, a \$4,800 allowance was permitted, which means that 20 or more individual funded pre-need accounts were never transferred.

“It’s quite possible that some people who held pre-need contracts are deceased and their families are not aware that they had these funds available to them,” said Rep. Giegler. “Others may still be alive, not realizing their accounts have not been transferred. Those funds being held by Access Financial need a degree of oversight by the DCP, so these Danbury-area families are fairly treated.”

Rep. Giegler, who was a primary sponsor of 2006 legislation (Public Act 06-87) that began to address issues surrounding pre-need funeral contracts, said more clearly need to be done to protect consumers. The 2006 law requires pre-need funeral contracts be

written and include provisions describe the parties, identify the goods and services to be provided, state the amount paid or to be paid, and designate an escrow agent who will hold the prepaid funeral service funds. It also requires a funeral home to keep copies of the contracts and inform contract purchasers whenever the home changes majority ownership or closes.

“We need to identify who is going to oversee and protect consumer funds, who is going to check that a funeral home has deposited funds, how a family will know if the funds have been deposited and ensure criteria is in place for them to access their funds,” said Rep. Giegler. “Other items that need to be discussed include potential fines or penalties against funeral homes or funeral directors when there is negligence or fraud.”