

HOUSE BILL NO. HB0181

Funeral contracts-investment and bonding requirements.

Sponsored by: Representative(s) Larsen, L, Brown, L, Knapp
and Washut and Senator(s) Schuler

A BILL

for

1 AN ACT relating to insurance; amending investment
2 authorization for prepaid or prearranged funeral contract
3 proceeds; amending related surety bond provisions;
4 specifying application of purchase monies and investment
5 earnings; requiring notice to contract purchasers; and
6 providing for effective dates.

7

8 *Be It Enacted by the Legislature of the State of Wyoming:*

9

10 **Section 1.** W.S. 26-32-101(a) and (b) is amended to
11 read:

12

13 **26-32-101. Supervision and audit of funds; approval**
14 **of investment; promulgation of rules and regulations;**
15 **licenses.**

1

2 (a) The department shall supervise and audit the
3 funds derived by any person either residing in or doing
4 business within the state, from prepaid or prearranged
5 funeral contracts providing for the sale of caskets, burial
6 vaults, monuments or memorials or any burial supplies and
7 equipment and funeral services, if the sale is made, either
8 outright or on the installment basis, prior to the demise
9 of the person purchasing them or for whom they are
10 purchased, with the merchandise or service, or both, to be
11 delivered at a future date at time of need. All funds
12 received from these contracts or arrangements by any person
13 either residing in or doing business within this state
14 shall be received, invested and withdrawn according to
15 requirements the department approves. Investment in a bank,
16 trust company or federal ~~building~~savings and loan
17 association in Wyoming is an approved investment. The
18 deposit of funds received from the sale of these contracts
19 or arrangements in irrevocable pre-need funeral trusts, the
20 funds of which are invested in compliance with W.S.
21 4-10-901 and 4-10-902, is an approved investment. Earnings,
22 including interest, income and dividends, from any
23 investment of an irrevocable pre-need funeral trust may

1 inure to the benefit of the seller of the prepaid or
2 prearranged funeral contract, but shall be withdrawn from
3 the irrevocable trust only upon the occurrence of an event
4 that requires withdrawal of the corpus of the trust.
5 Neither the person purchasing a prepaid or prearranged
6 funeral contract nor any person for whom the contract is
7 purchased shall be entitled to terminate or cancel the
8 contract or make demand for the funds paid for the contract
9 after the funds are deposited into an irrevocable pre-need
10 funeral trust.

11

12 (b) The commissioner shall promulgate rules and
13 regulations for the purposes specified in subsection (a) of
14 this section to include regulation of contract provisions
15 and funds thereunder. The rules shall require notice to
16 buyers of prepaid or prearranged funeral contracts of the
17 types of investments into which funds derived from the sale
18 of these contracts may be deposited and the risks
19 associated with those investments. The rules shall require
20 notice to buyers of the ability to cancel or terminate a
21 contract or make demand for any amounts paid for the
22 contract. Rules promulgated by the commissioner shall not
23 require any additional surety bond amount for those monies

1 deposited in an irrevocable pre-need funeral trust and
2 invested in compliance with W.S 4-10-902 beyond the minimum
3 surety bond required of all persons deriving funds from
4 prepaid or prearranged funeral contracts.

5

6 **Section 2.** This act shall not alter, amend or impair
7 contracts entered into before July 1, 2025.

8

9 **Section 3.** The department of insurance shall
10 promulgate all rules necessary to implement the provisions
11 of this act.

12

13 **Section 4.**

14

15 (a) Except as provided by subsection (b) of this
16 section, this act is effective July 1, 2025.

17

18 (b) Sections 3 and 4 of this act are effective
19 immediately upon completion of all acts necessary for a
20 bill to become law as provided by Article 4, Section 8 of
21 the Wyoming Constitution.

22

23

(END)