

Illinois State COMPTROLLER

[Home](#) [Resources](#) [Office Info](#) [Financial Queries](#) [Contact Us](#)

[Home Page](#)
[CCBT Home Page](#)
[SB 1682 FAQ](#)
[SB 1682 Information](#)
[FAQ](#)
[Forms and Downloads](#)
[Laws and Legislation](#)
[Abandoned](#)
[West Nile Prevention](#)
[E-File](#)

Welcome to Cemetery Care and Burial Trust Online, a web portal to rules and regulations regarding the licensing of cemeteries, funeral homes and crematories in the state of Illinois.

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Notice regarding Funeral Home and Cemetery Industries

As members of the industry know, there is currently pending litigation surrounding the pre-need trust fund administered by the IFDA. In May, 2009, the Illinois Director of Insurance entered in to an agreement pertaining to a portion of the litigation involving Merrill Lynch. Pursuant to that agreement, an \$18,000,000 fund was established. The Department of Insurance began releasing those funds in January 2011 to members based on a proportional formula. The payment included a spreadsheet which listed pre-need contract purchasers accompanied by the proportional amount associated with their contract.

Members of the industry have contacted both the Department of Insurance and the Office of the Illinois State Comptroller (IOC) requesting guidance on the proper disposition of their portion of the funds. It is the position of the OIC that we do not have the authority to instruct industry members on the proper disbursement of the funds.

IOC does continue to regulate pre-needs. During the review of future annual reports and audits, we will examine the method in which the funds are handled to assure that industry members acted in a good faith manner and in the best interest of consumers when determining the disposition of the funds. For example,

in the event that an individual contained on the list is deceased and the contract was honored, the member should retain the funds to recoup their loss/expense. If an individual listed still survives, the funds should be handled in a manner to assure that the individual receives the value of their contracted services. IOC envisions that there will be a variety of variables for each of the listed individuals, some of which, cannot be anticipated. In our role in reviewing the annual reports and conducting audits, we will look at the contracts impacted by this settlement on a case by case basis and are mindful of the fact that members are presented with a unique situation in disbursing these funds. IOC further recommends that you consult your accountant and/or legal representative with questions regarding tax implications.

The Comptroller's Office is most often associated with the state's fiscal matters. One lesser known function is the licensure of certain private cemeteries that accept care funds, along with businesses, such as cemeteries and funeral homes, that sell pre-need funeral goods and services to consumers. It is our role to help ensure consumer dollars collected by these businesses are placed in trust so they are available when consumers need them.

Although the Comptroller's Office has limited authority involving the death care industry, our staff members try to assist consumers when they have questions or concerns. A toll-free consumer hotline is in place for this purpose, 1-877-203-3401.

During my tenure as Comptroller, the office has sponsored legislative reforms strengthening consumer protection laws, helped secure criminal indictments and stiffened criminal penalties for those choosing to break Illinois' cemetery and funeral laws.

Across Illinois thousands of cemeteries sit abandoned or neglected. These cemeteries provide important keys to our past. Community groups in many locations have worked to restore these treasures. You can

too. [Here is a link](#) with tips about starting an initiative in your community.

I hope you find this site to be both informative and useful. Please do not hesitate to [contact our office](#) with any questions or concerns.

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