



UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
EAST CENTRAL REGION

COMPLYING WITH THE FTC'S FUNERAL RULE

Dear Funeral Home Owner or Director:

The Federal Trade Commission's Trade Regulation Rule Concerning Funeral Industry Practices ("Rule" or "Funeral Rule"), 16 C.F.R. Part 453, went into effect in April 1984 and was revised in July 1994. The Funeral Rule requires that funeral providers give consumers accurate, itemized price information and various other disclosures about funeral goods and services.

The Rule requires disclosure of itemized price information both over the telephone and in writing concerning funeral services and ancillary arrangements offered, as well as price lists for caskets and outer burial containers. The Rule also requires persons arranging a funeral be given a statement of the funeral goods and services selected by that person and the price to be paid for each item. **Failure to comply with the Rule may result in civil penalties, which have recently increased at the direction of Congress to \$40,654 per violation.**

Funeral Rule Offenders Program ("FROP")

The FROP consists of a legal review of the price disclosures required by the Rule, and on-going training, testing, and monitoring for compliance. Each year, the FTC conducts undercover inspections of funeral homes for compliance with the Rule. In cases where an inspection has identified only minor compliance deficiencies, the funeral home must provide evidence that it has corrected the problems. However, funeral homes with price list disclosure violations must enter a training program run by the National Funeral Directors Association or be subject to a possible civil penalty action by the FTC. Funeral homes participating in the program make a voluntary payment to the U.S. Treasury in place of a civil penalty, and pay annual administrative fees to the Association.

The FTC has published a guide entitled "***Complying with the Funeral Rule***" that is designed to aid compliance with the Rule for anyone selling or offering to sell funeral goods and services. The guide provides detailed information about the Rule's specific requirements of General Price Lists, Casket Price Lists, and Outer Burial Container Price Lists. A copy of the guide and the Funeral Industry Practices Revised Rule are found at: <https://www.ftc.gov/tips-advice/business-center/guidance/complying-funeral-rule>. You can also use this link to order free copies of the guide for each member of your staff. Some of the guide's highlights include:

The General Price List or "GPL" The GPL should be printed or typewritten and must include the following basic information: the name, address, and telephone number of the business; the caption: "General Price List;" and the effective date for the GPL. Additionally, the GPL must include six disclosures concerning: the consumer's right to select only the goods and services desired; embalming; alternative containers for direct cremation; the basic services fee; the Casket Price List; and the Outer Burial Container Price List. These disclosures must contain the identical wording outlined in the Rule.

You must give the GPL to anyone who asks, in person, about funeral goods, funeral services, or the prices of such goods or services. This means all persons who inquire about funeral arrangements including, but not limited to, consumers, competitors, journalists, and representatives of businesses, religious societies, government agencies, or consumer groups. Further, you must physically offer such individuals a GPL that they can keep and take from the business premises.

The Casket Price List or “CPL” If your GPL does not list the retail price of each casket you sell, you must prepare a separate printed or typewritten CPL which must include the following basic information: the name of your business; the caption: “Casket Price List;” the effective date for the CPL; and the retail price of each casket and alternative container that you usually offer for sale (*i.e.*, that does not require special ordering) with enough descriptive information to identify each.

You must show the CPL to anyone who asks in person about the caskets or alternative containers that you offer or inquires about their prices. You must offer the CPL when you begin discussing caskets or alternative containers – but before showing these items. Consumers must be able to look at the price list before discussing their options or seeing the actual caskets or pictures or models of them. Consumers should not first learn of casket prices by entering the casket showroom and reading price cards placed on individual caskets or by having the funeral director recite such information orally. You can use individual price cards, but only in addition to a CPL.

The Outer Burial Container Price List or “OBCPL” If you sell outer burial containers and do not list the retail price of each such container on your GPL, you must prepare a separate printed or typewritten OBCPL which must contain: the name of your business; the caption: “Outer Burial Container Price List;” the effective date of the price list; the retail price of each outer burial container that you usually offer for sale (*i.e.*, that does not require special ordering) with enough descriptive information to identify it. Your OBCPL must also contain a disclosure – with the identical wording outlined in the Rule – regarding state or local law concerning the purchase of a container to surround the casket.

You must show this price list to all persons asking about outer burial containers or their prices. You must offer this price list when you begin to discuss outer burial containers, but before showing the containers or pictures or models of them. Consumers must be able to look at the price list before discussing their options or seeing containers. You are allowed to use price cards on top of individual containers or models of containers, but only in addition to an OBCPL.

Please review your funeral home’s price lists and procedures to ensure that you are complying with the Funeral Rule. This information should assist you and your staff to fully comply. For further information, please contact Fil de Banate at the FTC’s East Central Regional Office by phone at (216) 263-3413 or by email at fdebanate@ftc.gov.