

UNITED STATES OF AMERICA Federal Trade Commission WASHINGTON, D.C. 20580

Office of the Chair

Statement of Chair Lina M. Khan Regarding the Advanced Notice of Proposed Rulemaking on the Funeral Industry Practices Rule Commission File No. P034410

October 20, 2022

People are at their most vulnerable when they're grieving. That was the insight behind the FTC's Funeral Rule, which first took effect in 1984. The goal was to prevent consumers from being taken advantage of during a moment of deep grief and loss. Among other provisions, the Rule requires funeral homes to provide a clear list of prices for goods and services offered. This helps family members make informed decisions and avoid paying for things they don't need.

One challenge is that the Funeral Rule was crafted before the internet age, so it only applies in person or over the phone. Even though Americans today typically begin their shopping online, funeral providers are not required to list prices on their websites. The staff report that the Commission is voting on today found that just under 25 percent of funeral home websites provided a full list of prices. Over sixty percent provided little to no price information whatsoever. Stories persist about consumers spending hours trying to answer the most basic questions about how much it will cost to bury their loved ones. In the internet era, it's hard to see why anyone should have to physically visit or call multiple funeral homes just to compare prices.

Today's Advance Notice of Proposed Rulemaking seeks comment on several concrete ways to modernize the Funeral Rule. This includes asking whether the Rule should require funeral providers to provide pricing information online or via email, which could help consumers make informed decisions during some of the most difficult moments of their lives. It could also better incentivize funeral homes to offer the most competitive prices. This would ultimately lower the expensive burden of putting a loved one to rest.²

I am pleased to support this effort, and I look forward to the public comments during our rulemaking proceeding. I'd like to thank our staff for their excellent work on this matter.

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¹ Robert Benincasa, *Despite Decades-Old Law, Funeral Prices Are Still Unclear*, NPR (Feb. 8, 2017), https://www.npr.org/2017/02/08/504031472/despite-decades-old-law-funeral-prices-are-still-unclear.

² See, e.g., Joshua Slocum, Death with Dignity? A Report on SCI/Dignity Memorial High Prices and Refusal to Disclose These Prices, FUNERAL CONSUMERS ALLIANCE & CONSUMER FED'N OF AMERICA (Mar. 2017), https://funerals.org/wp-content/uploads/2017/03/3-6-17-Funeral-SCI_Report.pdf; Joshua Slocum & Stephen Brobeck, The Relationship Between Funeral Price Disclosures and Funeral Prices: A California Case Study, CONSUMER FED'N OF AMERICA (Feb. 2020), https://consumerfed.org/wp-content/uploads/2020/02/California-Funeral-Home-Pricing-Report.pdf.