

## Virginia Board of Funeral Directors and Embalmers

### Guidance on the Calculation of the Declinable Preneed Funeral Guarantee Fee

In 2024, the General Assembly passed legislation to permit funeral licensees to charge a declinable fee to consumers to guarantee certain goods and services offered in a preneed funeral contract ([Ch. 247, 2024 Acts of Assembly](#)). The definition in [Virginia Code § 54.1-2800](#) provided that the fee, “when offered by a seller, shall not exceed 25 percent of the *preneed funeral contract price*....” (emphasis added.) The legislation directed the Virginia Board of Funeral Directors and Embalmers (Board) to promulgate emergency regulations to implement the legislation. The emergency regulations became effective on June 15, 2026.

In 2025, while the emergency regulations were pending, the General Assembly passed legislation to amend the definition of the declinable preneed funeral guarantee fee in Virginia Code § 54.1-2800 to clarify that the fee, “when offered by a seller, shall not exceed 25 percent of the *guaranteed preneed supplies and services included in the funeral contract price*.” ([Ch. 511, 2025 Acts of Assembly](#)). The legislation directed the Board to “amend its regulations to ensure that declinable preneed funeral guarantee fees are used solely to guarantee the cost of preneed supplies and services as described in preneed funeral contracts.”

Although regulatory amendments to effectuate the 2025 legislative changes are pending, statutory language on this issue governs, and funeral licensees should calculate the declinable preneed funeral guarantee fee, if offered, based upon the *guaranteed preneed supplies and services included in the funeral contract price* as stated in [Virginia Code § 54.1-2800](#).