
HOUSE CONCURRENT RESOLUTION

REQUESTING THE LEGISLATIVE REFERENCE BUREAU TO STUDY PRE-PAID OR
PRE-NEED FUNERAL OR BURIAL PLANS.

1 WHEREAS, Hawaii's population is aging and it is important
2 to address the needs of elderly consumers; and
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4 WHEREAS, pre-paid or pre-need plans for funeral or burial
5 contracts are becoming increasingly popular; and
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7 WHEREAS, generally, under these pre-paid or pre-need
8 funeral or burial plans, consumers pay a funeral service company
9 in installments with the expectation that the money paid will be
10 held in trust, for consumer's benefit, to pay for services upon
11 their death; and
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13 WHEREAS, consumer advocates have expressed concern about
14 Hawaii's laws governing pre-paid or pre-need funeral or burial
15 plans; and
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17 WHEREAS, as compared to other states, Hawaii requires a
18 lower percentage of payments made as part of pre-paid or pre-
19 need funeral or burial plans to be held in trust, and allows
20 companies to keep a higher percentage of payments before
21 allowing refunds to consumers; and
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23 WHEREAS, anecdotal evidence suggests that consumers have a
24 difficult time obtaining refunds or changing their pre-paid or
25 pre-need funeral or burial plans; and
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27 WHEREAS, stronger consumer protection in the area of pre-
28 paid or pre-need funeral or burial plans is necessary to
29 safeguard Hawaii's elderly consumers and protect their families;
30 now, therefore,
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32 BE IT RESOLVED by the House of Representatives of the
33 Twenty-fourth Legislature of the State of Hawaii, Regular



1 Session of 2007, the Senate concurring, that the Legislative
 2 Reference Bureau is requested to study pre-paid or pre-need
 3 funeral or burial plans in Hawaii; and
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5 BE IT FURTHER RESOLVED that the Legislative Reference
 6 Bureau is requested to include in its study:
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- 8 (1) A review of other jurisdictions' laws on pre-paid or
 9 pre-need funeral or burial plans in Hawaii; provided
 10 that this review shall include a compilation of an
 11 indicative sampling of laws and regulations regarding
 12 refunds and trusting of consumers' payments;
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- 14 (2) A history of Hawaii's laws and regulations regarding
 15 pre-paid or pre-need funeral or burial plans;
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- 17 (3) Statistics on pre-paid or pre-need funeral or burial
 18 plans in Hawaii; specifically the number of plans that
 19 are outstanding, the value of outstanding plans, and
 20 any information regarding refunds for outstanding
 21 plans; and
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- 23 (4) An analysis of consumer complaints made to the
 24 Department of Commerce and Consumer Affairs or any
 25 other entities that receive consumer complaints; and
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27 BE IT FURTHER RESOLVED that certified copies of this
 28 Concurrent Resolution be transmitted to the Acting Director of
 29 the Legislative Reference Bureau and the Director of Commerce
 30 and Consumer Affairs.
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