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## HOUSE RESOLUTION

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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  
34 Session of 2007, that the Legislative Reference Bureau is  
35 requested to study pre-paid or pre-need funeral or burial plans  
36 in Hawaii; and



(1) A review of other jurisdictions' laws on pre-paid or pre-need funeral or burial plans in Hawaii; provided that this review shall include a compilation of an indicative sampling of laws and regulations regarding refunds and trusting of consumers' payments;

(3) Statistics on pre-paid or pre-need funeral or burial plans in Hawaii; specifically the number of plans that are outstanding, the value of outstanding plans, and any information regarding refunds for outstanding plans; and

BE IT FURTHER RESOLVED that certified copies of this Resolution be transmitted to the Acting Director of the Legislative Reference Bureau and the Director of Commerce and Consumer Affairs.

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