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# HOUSE CONCURRENT RESOLUTION

REQUESTING THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS TO  
ESTABLISH A PRE-NEED FUNERAL INDUSTRY ADVISORY COMMITTEE TO  
PROVIDE INPUT ON CONCERNS AND SOLUTIONS REGARDING THE PRE-  
NEED FUNERAL INDUSTRY.

1           WHEREAS, the residents of Hawaii are provided funeral  
2 services by approximately twenty companies of which the majority  
3 offer pre-need funeral plans; and  
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5           WHEREAS, pre-need funeral plans provide consumers the  
6 ability to pre-arrange their funerals in order to relieve their  
7 family members of the trouble of making funeral arrangements at  
8 the time of their death; and  
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10           WHEREAS, there are more than 100,000 people in Hawaii who  
11 have purchased a pre-need funeral plan with a total value of  
12 more than \$150,000,000, which is held in trust; and  
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14           WHEREAS, recent incidents of questionable practices by  
15 Memorial Mortuary have led to a settlement to repay a total of  
16 \$150,000 to customers who bought pre-need funeral services from  
17 Memorial Mortuary; and  
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19           WHEREAS, furthermore, public concerns regarding Honolulu  
20 Memorial Park have alleged mismanagement and failure to fulfill  
21 promises to restore the aging cemetery; and  
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23           WHEREAS, ongoing proceedings have alleged that the trustees  
24 of RightStar properties, which include the Valley of the  
25 Temples, Homelani, Kona, and Maui Memorial Parks, have  
26 improperly removed approximately \$30,000,000 from the company's  
27 pre-need funeral plan trust funds; and  
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29           WHEREAS, the existing monitoring system for the cemetery  
30 and pre-need funeral industry, which currently only requires the  
31 submission of annual actuarial and financial reports, is not



1 adequately designed to protect consumers from further  
2 situations, such as RightStar; and

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4 WHEREAS, the Legislature seeks ways to prevent these  
5 situations through means, such as providing a venue for input  
6 and collaboration among the funeral industry, consumers, and  
7 government agencies; now, therefore,

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9 BE IT RESOLVED by the House of Representatives of the  
10 Twenty-fourth Legislature of the State of Hawaii, Regular  
11 Session of 2008, the Senate concurring, that the Director of  
12 Commerce and Consumer Affairs is requested to establish a Pre-  
13 Need Funeral Industry Advisory Committee to provide input on  
14 concerns and solutions regarding the pre-need funeral industry;  
15 and

16  
17 BE IT FURTHER RESOLVED that the Pre-Need Funeral Industry  
18 Advisory Committee consists of the following members:

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20 (1) Three members representing the cemetery and funeral  
21 trust industry consisting of one member from each of  
22 the following organizations:

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24 (A) An organization representing the pre-need  
25 industry;

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27 (B) An organization representing the cemetery  
28 industry; and

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30 (C) An organization representing the funeral  
31 directors;

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33 (2) Three members representing consumer organizations;

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35 (3) One member from the general public;

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37 (4) Four ex-officio members representing:

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39 (A) The Department of Health;

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41 (B) The Department of Commerce and Consumer Affairs;

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43 (C) The Executive Office on Aging; and  
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1 (D) The Policy Advisory Board for Elder Affairs; and

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3 (5) Any other individuals who the Director of Commerce and  
4 Consumer Affairs determines would be appropriate to  
5 serve and assist in the work of the Advisory  
6 Committee; and

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8 BE IT FURTHER RESOLVED that the Pre-Need Funeral Industry  
9 Advisory Committee is requested to:

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11 (1) Provide comments to the Director of Commerce and  
12 Consumer Affairs regarding requested qualifications  
13 for the licensing of cemetery or pre-need funeral  
14 authorities as may be necessary for the welfare of the  
15 public, and the cemetery and pre-need funeral  
16 authority industry; and

17  
18 (2) Provide information on the practices and policies of  
19 the cemetery and pre-need funeral authority industry  
20 and make recommendations to the Director of Commerce  
21 and Consumer Affairs regarding practices and policies  
22 that would support the welfare of the public, and the  
23 cemetery and pre-need funeral authority industry; and

24  
25 BE IT FURTHER RESOLVED that the Director of Commerce and  
26 Consumer Affairs submit a written report to the Legislature of  
27 the Pre-Need Funeral Industry Advisory Committee's findings and  
28 recommendations, including any proposed legislation that may be  
29 necessary to address the concerns relating to the cemetery and  
30 pre-need funeral industry, and a recommendation on whether a  
31 permanent advisory committee should be established no later than  
32 twenty days prior to the convening of the 2009 Regular Session;  
33 and

34  
35 BE IT FURTHER RESOLVED that certified copies of this  
36 Concurrent Resolution be transmitted to the Governor; the  
37 Director of Commerce and Consumer Affairs; the Director of  
38 Health; the Director of the Executive Office on Aging; the  
39 Chairperson of the Policy Advisory Board for Elder Affairs; the  
40 President of the Hawaii Funeral Directors Association; the  
41 President of the Hawaii Allied Memorial Council; the President



1 of the Pre-Need Funeral Association; and the President of the  
2 Funeral Consumer Alliance.

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OFFERED BY:

A handwritten signature in black ink, appearing to read "John M. Deane", is written over a horizontal line.

MAR 12 2008

