

MAR 13 2008

SENATE 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 Senate of the Twenty-fourth
10 Legislature of the State of Hawaii, Regular Session of 2008, the
11 House of Representatives 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

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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
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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
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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
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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:

Yue Sheng
Norman Sotomoro
Amar Mercedes R.
Clarence M. Mochizuki
Carol Fukumaga
Randy de Bel
Enzanne Chun Oakland

