

Honolulu, Hawaii

MAR 02 2007

RE: S.B. No. 1423
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fourth State Legislature
Regular Session of 2007
State of Hawaii

Madam:

Your Committee on Commerce, Consumer Protection, and
Affordable Housing, to which was referred S.B. No. 1423 entitled:

"A BILL FOR AN ACT RELATING TO THE DEATH CARE INDUSTRY,"

begs leave to report as follows:

The purpose of this measure is to provide for additional
protections for consumers of cemetery or funeral services.

This measure, among other things:

- (1) Adds a new section to chapter 442, Hawaii Revised Statutes, to establish procedures for the cancellation, termination, and refund of pre-need funeral and interment services contracts;
- (2) Requires a cemetery authority to file with the Department of Commerce and Consumer Affairs and maintain a map of every plot, crypt, or niche, and maintain an accurate record of the identity of each person buried or interred in the cemetery;
- (3) Ensures that contracts for pre-need interment of funeral services retain priority over liens and mortgages of a pre-need interment or funeral services authority if the authority's pre-need trusts are not fully funded;



- (4) Requires disclosure in clear and plain language of the terms of a pre-need funeral or interment services contract;
- (5) Clarifies the Director of Commerce and Consumer Affairs' authority to inspect the books, records, and papers of a cemetery or pre-need funeral or interment services authority; and
- (6) Increases the fine from \$1,000 to \$5,000 for violations of the chapter of law regulating cemetery or pre-need funeral or interment services authorities.

Your Committee received testimony in support of this measure from the Regulated Industries Complaint Office of the Department of Commerce and Consumer Affairs, the Funeral Consumers Alliance Hawaii, and Mililani Group, Inc. Comments were submitted by the Hawaii Funeral Directors Association and Ballard Mortuary, Inc.


Your Committee finds that this measure will materially advance and improve the level of consumer protection afforded Hawaii's cemetery and funeral services consumers by establishing procedures for the cancellation, termination, and refund of pre-funeral and pre-interment needs, as well as implementing other requirements related to the death care industry.

Your Committee has amended this measure by changing the effective date to July 1, 2050, in the interest of further discussion and by making a technical, nonsubstantive amendment for the purpose of style.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Affordable Housing that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1423, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1423, S.D. 1, and be placed on the calendar for Third Reading.



Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Affordable
Housing,


BRIAN T. TANIGUCHI, Chair



The Senate
 Twenty-Fourth Legislature
 State of Hawaii

Record of Votes
Committee on Commerce, Consumer Protection and Affordable Housing
CPH

Bill / Resolution No.:* SB 1423	Committee Referral: CPH	Date: 2/27/17		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
TANIGUCHI, Brian T. (C)	✓			
IGE, David Y. (VC)				✓
ESPERO, Will	✓			
IHARA, Jr., Les	✓			
SAKAMOTO, Norman				✓
SLOM, Sam	✓			
TOTAL	4			2
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: <i>Will Espero</i>				
Distribution: Original Yellow Pink File with Committee Report Clerk's Office Drafting Agency				

*Only one measure per Record of Votes