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**PRESENTATION OF THE
CEMETERY AND FUNERAL TRUSTS PROGRAM**

TO THE SENATE COMMITTEE ON COMMERCE AND CONSUMER PROTECTION

TWENTY-FIFTH STATE LEGISLATURE
Regular Session of 2009

LATE

Wednesday, February 11, 2009
8:30 a.m.

**TESTIMONY ON SENATE BILL NO. 1099, RELATING TO THE FUNERAL
INDUSTRY.**

TO THE HONORABLE ROSALYN H. BAKER, CHAIR,
AND MEMBERS OF THE COMMITTEE:

My name is Candace Ito, Executive Officer of the Cemetery and Funeral Trust Program in the Department of Commerce and Consumer Affairs ("Department"). We appreciate the opportunity to present testimony on S.B. 1099, Relating to the Funeral Industry.

The purpose of S.B. 1099 is to establish a pre-need cemetery and funeral governance fund. The Department takes no position on this issue but offers the following comments:

- The Committee may wish to consider the financial impact that the required contributions to the governance fund may have on licensees and whether

this will negatively impact cemetery and pre-need purchasers by increasing costs for services and merchandise.

- While it appears the purpose of the fund is to address issues relating to both cemetery and pre-need funeral authority, the provision in the bill does not clearly set forth its applicability to both industries. Therefore the section should be revised accordingly.
- We believe subsection (a) (page 1, lines 5-10) conflicts with subsection (c) (pages 2-3, lines 8-22 and 1-4 respectively) because subsection (a) limits the use of the funds to investigate complaints that allege fraud, misrepresentation, or deceit, whereas subsection (c) provides for much broader use of the fund. Use of the fund should be clearly defined.

Thank you for the opportunity to testify on S.B. 1099.

LATE

STATEMENT FROM
ASSOCIATION OF PRENEED FUNERAL PLANS, INC.

TO THE COMMITTEE ON HUMAN SERVICES AND PUBLIC HOUSING
SUBJECT: SENATE BILL 661, A Bill Relating to the Funeral Industry
SENATE BILL 1099, A Bill Relating to the Funeral Industry
HEARD ON: Wednesday, February 11, 2009
8:30 P.M.

THIS ASSOCIATION OPPOSES the proposed changes to Chapter 441 of the Hawaii Revised Statutes, entitled "RELATING TO FUNERALS" and offers the additional testimony set forth below.


This Association consists of several pre-need authorities doing business in the State of Hawaii together with those entities currently seeking application for pre-need licenses. Discussions within our organization confirm that the enactment of either of these bills in their present state would unfairly impose the sole financial sponsorship on the Pre-need associations.

The most direct impact would be the immediate assessment of fees as a result of contracts that were entered into over the last fifteen years. This assessment was not anticipated by any of the pre-need authorities and would be an undue burden to those entities who may be faced with large payment from current operations.

The establishment of the board is to oversee funeral and mortuary operators, cemetery and pre-need funeral authorities. It is not appropriate to have the pre-need authorities be the sole financial sponsors for the board. Contributions should be collected from all related operators in the industry.

We are troubled by certain aspects of the proposed legislation, and do not believe there is sufficient support for its ratification in its present form.

RESPECTFULLY SUBMITTED,


Eadean M. Buffington, for the Association