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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Intrastate Commerce
Thursday, March 12, 2020
9:30 a.m.
State Capitol, Conference Room 430**

**On the following measure:
S.B. 2883, RELATING TO CEMETERY AUTHORITY EXEMPTION**

Chair Ohno and Members of the Committee:

My name is Charlene Tamanaha, and I am the Licensing Administrator of the Department of Commerce and Consumer Affairs' (DCCA or Department) Professional and Vocational Licensing Division. The Department supports this administration bill.

The purposes of this bill are to clarify that: (1) churches granted an exemption under Hawaii Revised Statutes (HRS) section 441-22.1 are exempt from all requirements of HRS chapter 441; and (2) other exempted entities shall comply with any provision of HRS chapter 441 upon order of the Department's director.

Act 14, Session Laws of Hawaii 1968, authorized the then-Cemetery Board to exempt any cemetery authority from the bonding and fee requirements for license, renewal, and reinstatement if it did not actively engage in pre-need sales, have a licensed cemetery salesperson, or sell for financial profit. Since 1968, exempt cemetery authorities have not been regulated and have been treated as exempt from HRS chapter 441 requirements. Exempt cemetery authorities provide burials to their

community based upon goodwill, rather than operate the cemetery as a business, and would therefore have difficulty complying with HRS chapter 441.

In codifying the current practice of the Department's Cemetery and Funeral Trusts Program (Program), this bill will help the Program become more efficient in overseeing cemeteries and provide clarity for exempt entities regarding the requirements of HRS chapter 441. In addition, churches and other non-profit exempt cemetery authorities will continue to be responsible for maintaining and caring for their cemeteries.

The Department has become aware that concerns have been raised regarding the breadth of the exemption proposed in this bill. The Department is in ongoing discussions regarding these concerns. The DCCA respectfully requests that the Committee pass this bill with the understanding that stakeholder discussions will continue.

Thank you for the opportunity to testify, and we respectfully ask the Committee to pass this administration bill.