

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

April 3, 2024

To: The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means

FROM: Cathy Betts, Director

SUBJECT: **HB 1533 HD2 – RELATING TO DEATH BENEFITS.**

Hearing: April 4, 2024, 10:15 a.m.
Conference Room 211, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill so long as any appropriation does not reduce or replace the priorities identified in the Governor's budget.

PURPOSE: This bill increases the amount of death benefits paid by the Department of Human Services to cover the cremation and disposition costs for a deceased person who was eligible for medical or financial assistance at the time of the person's death and whose body is unclaimed. Effective 7/1/3000. (HD2)

The House Committee on Human Services (HD1) amended this measure by changing the effective date to July 1, 3000, to encourage further discussion. The House Committee on Finance (HD2) further amended this measure by changing the amount of the increase to an unspecified amount.

For informational purposes, the current amount for this type of death benefit is \$800, and in state fiscal year 2023, DHS paid a total amount of \$277,600 for this type of death benefit.

April 3, 2024

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DHS supports the increase so long as any appropriation does not reduce or replace the priorities identified in the Executive Supplemental Budget Request for FY 2025. Also, DHS prefers that any appropriation be included in the executive budget bill as a recurring expense rather than a bill so that the appropriation could be recurring and the increase ongoing.

Thank you for the opportunity to testify on this measure.

LATE

HB-1533-HD-2

Submitted on: 4/3/2024 1:42:28 PM

Testimony for WAM on 4/4/2024 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Rosemarie S. Sebastian	Testifying for ILWU - LOCAL 1000/SEBASTIAN'S ARCH LLC	Support	Written Testimony Only

Comments:

Dear Chair, Dela Cruz, Vice-Chair Moriwaki & all Committee members:

I/we are thankful for this bill--as it's the most humane and respectful act of kindness for our State to bury any individual--especially those who don't have families or anyone to claim them. It reflects the true Spirit of Aloha and the values of our State of Hawaii. It's compassionate and it's the right thing to do.

Most of those dead who are not claimed are either from homeless community and/or from the care home community. A lot of our clients from Type I ARCH don't have families to claim bodies--in the event of death.

I/we support this bill. I/we highly encourage your committee to pass this through.

Thank you for your kind support.

Respectfully submitted,

Rosemarie S. Sebastian, Treasurer/Care Home Operator

ILWU - Local 1000 / SEBASTIAN'S ARCH LLC

1630 Leilani St., Honolulu, HI 96819

Tel. (808) 220-0824



Hawaii Funeral & Cemetery Association, Inc.
1330 Maunakea Street, Honolulu, Hawaii 96817

Written Testimony providing comments on
HB 1533, HD2 (SSCR314) – Relating to Death Benefits
Position: SUPPORT

April 2, 2024

To: Senator Donovan M. Dela Cruz, Chair - COMMITTEE ON WAYS AND MEANS
Senator Sharon Y. Moriwaki, Vice Chair - COMMITTEE ON WAYS AND MEANS
Committee Members

HEARING DATE/TIME: Thursday, April 4, 2024 / 10:15AM

STATEMENT FROM THE HFCA BOARD OF DIRECTORS

*The Hawaii Funeral & Cemetery Association, Inc. is a Domestic Nonprofit Corporation, comprised of 12 independent Board of Directors representing 14 mortuaries and 10 cemeteries that serve the largest majority of Hawaii's families. The HFCA is an independent association that acts in the best interest of its members and the community. The HFCA Board of Directors would like to **Support on HB 1533, HD2.***

Dear Chair Dela Cruz, Vice Chair Moriwaki and Committee Members

The Hawaii Funeral and Cemetery Association, Inc. ("HFCA"). The HFCA "**SUPPORTS**" **HB 1533, HD2 (SSCR314)** ("Bill") "Relating to Death Benefits" increasing the reimbursement to mortuaries from \$800 to \$1600.

Hawaii's mortuaries and crematories handle the cremation, transportation, storage (60 days) and final disposition of these unclaimed bodies on behalf of the State but for decades, have only received \$800 in reimbursement to cover the cost of these services.

The City and County of Honolulu Department of the Medical Examiner Annual Statistical Report shows that Honolulu County in;

2021-2022 Unclaimed remains State-assisted cremation 152

2020-2021 Unclaimed remains State-assisted cremation 116

Based on previous testimony from the Department of Human Services in state fiscal year 2023, DHS paid a total amount of \$277,600 for this type of death benefit. If the benefit amount is doubled, the estimated increase to be appropriated would be \$277,600. DHS supports this increase as long as it does not reduce or replace the priorities identified in the Governor's budget.

Mortuaries and cemeteries in Hawaii, as a result, have been covering the costs above the State's reimbursement level of \$800. The Mortuaries are also taking on the responsibility of holding and scattering or interring the remains following the cremations adding additional cost to the mortuary. Unfortunately, as costs of fuel, labor, and materials continue to rise, the industry overall can no longer sustain offering this service at the current fee. Some Hawaii mortuaries have opted out of taking unclaimed remains. An increase of the reimbursement would help offset the cost

associated with the mortuaries. The total cost increase of the adjustment in the reimbursement rate to the annual cost increase would not be significant in the state budget.

Mahalo for your consideration,
HFCA Board of Directors

LATE

HB-1533-HD-2

Submitted on: 4/3/2024 11:37:43 AM

Testimony for WAM on 4/4/2024 10:15:00 AM

Submitted By	Organization	Testifier Position	Testify
Lu Ann Mahiki Lankford-Faborito	Individual	Support	Written Testimony Only

Comments:

Support, Many of our families supported by DHS need assistance

**TESTIMONY BEFORE THE SENATE
COMMITTEE ON WAYS AND MEANS**

LATE

HB 1533 HD2

Relating to Death Benefits

April 4, 2024 at 10:15 AM
State Capitol, Conference Room 211

Submitted by Mitchell Dodo

Dear Chair Dela Cruz, Vice Chair Moriwaki, and Members of the Committee,

My name is Mitchell Dodo, on behalf of Dodo Mortuary, Inc. in Hilo, Hawaii and I am testifying in SUPPORT of HB 1533 HD2, Relating to Death Benefits, increasing the reimbursement to mortuaries from \$800 to \$1600.

Dodo Mortuary, Inc. & Crematory has handled the cremation, transportation, storage (60 days) and final disposition of unclaimed human remains on the Big Island on behalf of the State for decades but have only received \$800 in reimbursement to cover the cost of these services. Well beneath our current charges for minimal cremation type services.

Dodo Mortuary, Inc. & Crematory, as a result, have been covering the costs above the State's reimbursement level of \$800. We are also taking on the responsibility of holding and scattering or interring the remains following the cremations, adding additional cost to our company. Unfortunately, as costs of fuel, labor, and materials continue to rise, we can no longer sustain offering this service at the current reimbursement amount. Some Hawaii mortuaries have opted out of taking unclaimed remains because of this. An increase of the reimbursement amount would help offset the cost associated with performing cremations. The total cost increase of the adjustment in the reimbursement rate to the annual cost increase would not be significant in the state budget.

Please pass HB 1533 HD2. Thank you for the opportunity to share our opinion.