STAND. COM. REP. NO.

Honolulu, Hawaii

FEB 11 , 2025

RE: H.B. No. 565

H.D. 1

Honorable Nadine K. Nakamura Speaker, House of Representatives Thirty-Third State Legislature Regular Session of 2025 State of Hawaii

## Madame:

Your Committee on Consumer Protection & Commerce, to which was referred H.B. No. 565 entitled:

"A BILL FOR AN ACT RELATING TO MANDATORY PRIOR WRITTEN NOTICE AND CONSENT IN CONTRACTS TO PROVIDE CREMATION SERVICES,"

begs leave to report as follows:

The purpose of this measure is to require, beginning October 1, 2025, mortuaries, cemeteries, and pre-need funeral authorities to include in contracts for funeral services with cremation a provision that requires notice if precious metals are recovered after the cremation process and written consent before the sale or recycling of the precious metals.

Your Committee received testimony in support of this measure from Kokua Council; AARP Hawai'i; and five individuals. Your Committee received comments on this measure from the Regulated Industries Complaints Office, Office of Consumer Protection, and Division of Professional Vocational Licensing Cemetery and Funeral Trusts Program of the Department of Commerce and Consumer Affairs.

Your Committee finds that cremation is the process that converts human remains to ashes and mineral fragments through combustion and oxidation. Your Committee further finds that decedents may have metals on or in their bodies that survive the cremation process, including titanium implants. Typically, these

metals are disposed by the crematory through various means, including donation or sale to a medical recycling company, with the disposition of the proceeds determined by the crematory. This measure provides the family of the decedent with the option for retaining the metals.

Your Committee has amended this measure by:

- (1) Clarifying that the new requirements for a contract that includes cremation apply to contracts entered into on or after October 1, 2025;
- (2) Deleting language that applied the contract requirements to cemetery authorities since cemetery authorities are not permitted to enter into funeral service contracts;
- (3) Deleting the requirement that written consent be obtained by the purchaser before the sale or recycling of any recovered precious metals;
- (4) Specifying that the contract must include a disclosure that after the receipt of the written notice, the purchaser has thirty days to claim the precious metals recovered, after which the precious metals may be sold or recycled by the mortuary or pre-need funeral authority;
- (5) Specifying that the failure of a mortuary or pre-need funeral authority to include the required provision and disclosure shall be a violation;
- (6) Clarifying the definition of "precious metals";
- (7) Deleting language that required mortuaries, cemetery authorities, and pre-need funeral authorities to provide to purchasers of contracts entered into before October 1, 2025, an addendum with the contract requirements being enacted by this measure;
- (8) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (9) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

As affirmed by the record of votes of the members of your Committee on Consumer Protection & Commerce that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 565, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 565, H.D. 1, and be referred to your Committee on Judiciary & Hawaiian Affairs.

Respectfully submitted on behalf of the members of the Committee on Consumer Protection & Commerce,

SCOT Z. MATAYOMI, Chair

## State of Hawaii House of Representatives The Thirty-third Legislature

HSCR 417

## **Record of Votes of the Committee on Consumer Protection & Commerce**

Bill/Resolution No.: HB 565	Committee Referral:		Date: 2/4/25	
The committee is reconsidering its previous decision on the measure.				
The recommendation is to:  Pass, unamended (as is)  Pass, with amendments (HD)  Hold  Pass short form bill with HD to recommit for future public hearing (recommit)				
CPC Members	Ayes	Ayes (WR)	Nays	Excused
1. MATAYOSHI, Scot Z. (C)				
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2. CHUN, Cory M. (VC)				
3. ILAGAN, Greggor	V			A STATE OF THE STA
4. ICHIYAMA, Linda		Allenter: Old	*Said 1000 CC 1	
5. IWAMOTO, Kim Coco				
3. TWANGTO, Kim Coco				
6. KONG, Sam Satoru			2 24 55	
7. LOWEN, Nicole E.		(Management)		V
8. MARTEN, Lisa				
9. TAM, Adrian K.		47,4		
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10. PIERICK, Elijah	V			
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TOTAL (10)	8			2
The recommendation is:  Adopted  If joint referral, did not support recommendation.  company fee aeronym(s)				
Vice Chair's or designee's signature:				
Distribution: Original (White) – Committee Duplicate (Yellow) – Chief Clerk's Office Duplicate (Pink) – HMSO				