

MAR 18 2009

SENATE RESOLUTION

REQUESTING THE DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS TO
RECOMMEND PROCEDURES AND LEGISLATION TO REQUIRE CEMETERY
AND PRE-NEED FUNERAL AUTHORITIES TO COMPLY WITH UNCLAIMED
PROPERTY LAWS UNDER CHAPTER 523A, HAWAII REVISED STATUTES.

1 WHEREAS, as of 2008, there were more than 100,000 people in
2 Hawaii who had purchased a pre-need funeral plan with an
3 aggregate value of more than \$150,000,000, which are presently
4 held in trust; and

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6 WHEREAS, previous incidents regarding several cemetery and
7 pre-need funeral businesses, such as Honolulu Memorial Park and
8 RightStar Properties, have raised issues of mismanagement and
9 illegal activity, prompting a need for greater consumer
10 protection; and

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12 WHEREAS, Hawaii laws regulating the pre-paid funeral
13 industry are among the weakest in the country, according to
14 national consumer and industry groups; and

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16 WHEREAS, chapter 523A, Hawaii Revised Statutes, established
17 the Unclaimed Property Program, which is responsible for
18 collecting abandoned property from holders, holding the property
19 in a custodial capacity, and providing a process for returning
20 the held property to the rightful owners; and

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22 WHEREAS, cemetery and pre-need funeral businesses are
23 required to comply with unclaimed property laws under chapter
24 523A, Hawaii Revised Statutes; however, stricter enforcement of
25 these businesses' compliance with the laws would provide greater
26 protection for consumers of these businesses' services; now,
27 therefore,

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29 BE IT RESOLVED by the Senate of the Twenty-fifth
30 Legislature of the State of Hawaii, Regular Session of 2009,
31 that the Department of Commerce and Consumer Affairs is
32 requested to recommend procedures and proposed amendments to
33 legislation to require cemetery and pre-need funeral authorities



1 to comply with unclaimed property laws under chapter 523A,
2 Hawaii Revised Statutes; and
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4 BE IT FURTHER RESOLVED that the Department of Commerce and
5 Consumer Affairs is requested to submit to the Legislature not
6 later than twenty days prior to the convening of the 2010
7 Regular Session, recommended procedures and legislation for
8 record maintenance, reporting of abandoned property, and
9 relinquishment of unclaimed property to the State; and
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11 BE IT FURTHER RESOLVED that a certified copy of this
12 Resolution be transmitted to the Director of Commerce and
13 Consumer Affairs.
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OFFERED BY:

[Signature]

Theranne Chun Lealand

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Rosslyn H. Baker

David Y. Lee

