

SB 661



Hawaii's Voice for a Better Future

Testifier: Laura G. Manis, tel. 597-8838

SB 661 which establishes a board and governance fund.

SUPPORT

Kokua Council supports this bill because we have heard numerous complaints from consumers of lost plans, no refunds when consumers try to cancel trusts when they move out of state or the funds being used by funeral homes to cover other expenses.

This fund would be used by the Department to investigate any violation or complaint of fraud, misrepresentation, or deceit practiced by the any organization selling pre-need cemetery or funeral plans. The fund would be used by the department to hire staff to investigate any such complaints and to assure payment of the appropriate fees by the industry. The industry itself would pay a very small fee to the Department for each such plan in effect.

Hawaii's rules governing pre-need funeral and cemetery plans are among the most lax in the nation, and offer consumers inadequate protection. In particular, pre-need plans sold in this state do not meet the standards recommended by the national industry organization. Therefore it is important to provide the Department with the resources necessary to investigate any complaints which may arise.

HOWEVER, WE ARE ASKING THAT YOU RE-INCLUDE THE ABILITY OF THE BOARD TO RECEIVE COMPLAINTS. THIS INFORMATION, WE BELIEVE WOULD BE NECESSARY FOR THE BOARD TO IMPLEMENT ITS WORK.

Creation of this fund will bring our funeral industry into line with the more progressive policies found in most others states.

Please support this bill.



Dodo Mortuary, Inc.

February 28, 2009

Committee Members
Ways and Means Committee
Hawaii State Capitol
415 South Beretania Street
Honolulu, HI 96813

Re: S.B. 661 (Relating to the Funeral Industry)

Dear Committee Members:

I would like to offer this testimony against the passage of Senate Bill 661 which relates to the funeral industry.

The Department of Commerce & Consumer Affairs (DCCA) has already been entrusted by the state to provide consumers with an agency one can refer to if problems arise with preneed funeral plans. The proposal made by S.B. 661, seems to be redundant in asking for the creation of a separate "board" to handle the responsibilities of what DCCA currently does. Asking for an up to \$2.00 fee per contract since 1992 to fund the board would be met with opposition by all preneed providers affected.

Preneed service providers in the state have a long history of working with DCCA to resolve issues that arise from time to time. Adding another level of regulation, in the form of a preneed board, would only lengthen the amount of time it takes to assist a consumer if complaints arise due to a board meeting having to be called. In this respect, the staff of DCCA can react more quickly, efficiently, accurately, and cost effectively when responding to an issue needing attention.

The number of complaints concerning preneed funeral trusts has historically been quite limited. The number of new licensees to be considered are even less. The reality of the situation is that a proposed board would have a limited amount of work and regular meetings would not be considered productive.

Ultimately, the consumer makes the final decision about purchasing a preneed contract or not. Adding more regulation to an industry which already handles itself well does not appear beneficial. For these reasons I submit this testimony against Senate Bill 661 in entirety. I also support the testimony submitted by the Hawaii Funeral Directors Association and Hawaii Allied Memorial Council against this bill.

Sincerely,

Mitchell M. Dodo

Vice-President / Operations Manager
Exclusive servicing mortuary to the Dodo Mortuary Life Plan preneed contracts

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To: Sergeant-At-Arms (FAX #: 586-6659)

From: Jerome Andrade
Hawaii Allied Memorial Council

Date: March 2, 2009

RE: Testimony for S.B. 661 (Relating to Funeral Industry)

Memo:

Please forward to:

The Senate Committee on Ways & Means

Date: Tuesday, March 3, 2009

Time: 9:30 A.M.

Place: Conference Room 211 (State Capitol)

To The Senate Committee on Ways & Means
The Honorable Donna Mercado Kim, Chair.
And Committee Members

Testimony for SB661

It is the position of our industry to operate under the current laws and legislation that were accepted and dually agree upon by DCCA and Funeral and Cemetery Industry. For this reasons stated below I would to submit testimony against SB661.

We feel DCCA has enough authority to enforce the problems that may occur in the funeral and cemetery industry. In establish a board will incur costs to the state during these hard times we a facing in our present economy. The decisions made by the board could be handled by the director of DCCA in a timely manner and faster than call a board meeting to discuss issues. There was a board about 15 years ago which was sunsetted. The charge or each pre-need contract sold if this law is passed will be a burden for the industry to administer and the cost would be passed on to the consumer.

The public has not been harmed by lack of regulations. Rather than proposing more regulations for the funeral and cemetery industry, which has very little documented complaints, it may be more prudent to leave the decision of the future of our business to the consumer with their right to purchase our services or not. Our business is about helping people during a difficult time in their lives. We should be spending our time comforting our consumers rather than following up on unnecessary paperwork.

Yours truly,



Jerome Andrade
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March 2, 2009



Hawaii Cluster



March 2, 2009

The Senate Committee on Ways & Means
The Honorable Donna Mercado Kim, Chair.
And Committee Members

Honorable Donna Mercado Kim

Please accept this written testimony to express our strong opposition to SB 661.
We support the position of both The Hawaii Allied Memorial Council and the
Hawaii Funeral Directors Association in opposition of the bill.

Sincerely,

Jay Morford
Hawaiian Memorial Life Plan Ltd.

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