



Good morning, Senator Bailey, Representative Gramlich, and members of the HCIFS committee:

Thank you for the opportunity to testify today in favor of LD 867, an act regarding pre-need funeral insurance. My name is Erik Tiner, and I have had the privilege of serving families in the funeral industry for over 20 years. I am also a member of the board of directors for the Maine Funeral Directors Association. Throughout my career, I have assisted countless families—both at the time of loss and during the process of pre-planning their funeral services.

Today, I would like to speak specifically about the importance of pre-need funeral planning, and why I believe LD 867 provides an important option for families.

Currently, when families prepay for funeral services, we use a mortuary trust to secure the funds. This trust locks in the cost of the services at the time the arrangements are made. If the funeral is fully paid for at that time, the family will not owe anything further. However, if the funeral is not paid in full, the family is still responsible for paying the remaining balance at the time of death.

What this bill will do is offer families an additional option—insurance-funded pre-arrangements. This option will allow families to lock in the cost of the funeral, while also giving them more flexibility in how they choose to pay. They can either pay in full at the time of arranging the services or make smaller monthly payments with a small deposit.

The major benefit here is that if the person passes before the pre-arrangement is fully paid, the insurance-funded plan will cover the remaining balance. This is a significant advantage over the current mortuary trust system, which does not relieve the family of the outstanding balance if the full amount has not been paid prior to death.

I support this bill because I believe it offers families more options, and ultimately, less financial and emotional stress. Pre-planning is something that families do out of love and care, seeking to ease the burden on their loved ones in the event of their passing. By locking in funeral costs, they relieve their families of making tough financial decisions during an already difficult time.

The Maine Funeral Directors Association (MFDA) and its members have invested a great deal of time and effort into discussing this issue to ensure that the new option is in the best interest of the consumers and the families we serve. This bill is designed with careful thought and consideration. This bill is not about eliminating the choice of a mortuary trust; it's about offering an additional option for families to secure their funeral arrangements.

In conclusion, I urge you to vote in favor of LD 867. It will provide Maine families with the opportunity to plan ahead and reduce the burden on their loved ones when the time comes. Thank you for your time and consideration.

Sincerely,
Erik Tiner, Funeral Practitioner 207-240-9983 (cell)