

of their association. In the District 2 area of the funeral directors, for instance, a survey was taken. There were 31 funeral homes in that area. Twenty-one of those objected to the 85 percent escrowing that is in the bill. On General File I kept fairly quiet on this amendment because I wasn't really sure exactly which direction things were going and I just listened to the debate. On the floor there were a number of senators who raised this question. I remember Senator Hefner raising the question, I remember several other senators raising the question of the escrow, the amount escrowed. There were also several other questions raised. Senator Vard Johnson raised a question about the amount of interest, what happens to the interest. Currently the interest is to be applied to the amount of money in escrow. This bill requires a cost of living adjustment only to the money in escrow, that the funeral director can go ahead and keep the additional interest, and in the last few years there has been additional interest. The proponents of the bill say what this does is it allows for an incentive for marketing of pre-need. They will say that pre-need is good, pre-need is good, we should encourage pre-need, and, therefore, we should do something to increase the incentive for pre-need. The opponents of this fear for consumer protection. They fear that if the 100 percent is not put into escrow and we don't have strict accounting for this money that the dollars will not be there necessarily when it comes time to provide the service. These are two good philosophical arguments. I guess I come down on the side of the latter one that the consumer needs to be protected. Keep in mind, we live in a state where we have had guarantees given by the Legislature, money will be deposited and will be there when you wish to have it. We have had the Commonwealth situation. We have situations with insurance companies that are going broke and individuals who thought they had a year's paid up insurance guaranteed don't have that. For that reason I think what we need to do is tighten up this escrow provision a little tighter in which case we will probably have a good bill. Two ways we can do this and I had two amendments filed, did not really know which way I was going to go. At this point I think on an aside of discretion, on an aside of trying to keep what is otherwise a pretty good bill alive, rather than trying to make everybody go with 100 percent which, keep in mind, it would leave the funeral directors at the 100 percent where they are now, and bring the cemeteries also up to 100 percent, I think the best approach is to formally what I hope will be