 DIVISION OF OCCUPATIONAL AND PROFESSIONAL LICENSING
Office of Cemetery Oversight

500 N. Calvert Street, 3rd Floor

Baltimore, MD 21202

**OFFICE OF CEMETERY OVERSIGHT**

**ADVISORY COUNCIL ON CEMETERY OPERATIONS**

**MINUTES**

DATE: January 28, 2021

TIME: 10:05 a.m. – 11:31 a.m.

PLACE**:** **Meeting ID:** https:// [meet.google.com/ ean-zoxr-zgt](https://meet.google.com/mbo-akux-kxf?hs=122&authuser=0)

 Phone Numbers

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PIN:

**MEMBERS PRESENT**

 Frank Porter, Chair

 Yvonne Fisher

 Erich March

 Ronald Pearcey

 David Zinner

Craig Huff

**MEMBERS ABSENT**

Bruce Hultquist

 Walter Tegeler

Michael Bennett

Rebecca Edmiston

**STAFF PRESENT**

 Deborah Rappazzo- Director, Office of Cemetery Oversight

 John Hart- Assistant Attorney General, Office of Cemetery Oversight

 Dreama Anderson- Investigator, Office of Cemetery Oversight

Jay Wilson- Financial Compliance Administrator, Office of Cemetery Oversight

Leila Whitley- Administrative Aide, Office of Cemetery Oversight

**STAFF ABSENT** N/A

**VISITORS**

Joan Warfield, Berkley Cemetery

Richard Cody, Resthaven Cemetery

Ralph Destefano, District Manager SCI

Roger Waters

**CALL TO ORDER**

 Acting Chair Porter called the meeting to order at 10:05 a.m.

**MINUTES**

 The minutes from December 3, 2020 were read and approved. The minutes from January 15, 2021 were read and approved.

**EXECUTIVE DIRECTOR’S REPORT**

The Executive Director, Rappazzo provided an update concerning the letter received from Council Chair, Porter titled “Consideration of Death Care Responders as Essential Workers and Heroes”. Currently the letter has been forwarded to Secretary Robinson’s office for consideration.

 Article in the Sunday Sun newspaper was shared with the entire council which featured Council Member Zinner. The article outlined details of how Zinner and his wife provided housing and support for a family, 28 year old mother and her 5 year old son.

 There is no update on our new computer system. They are still working with one of the largest agencies to get them up and running. Hopefully, the OCO will have access later this year.

There is still no official date or location of where the office will be moving. Shredding and archiving has started, in preparation for our move.

Baltimore City Police Dept. headquarters are now located across the street from 500 N. Calvert.

 Office is still working with all cemeteries to finish up the OCO Questionnaire Project.

 Next meeting February 25, 2021 at 10:00 am will be a virtual meeting.

**Discussion**

Will the Office be located somewhere in Baltimore city. Yes, some of the agencies are required to be located in Baltimore City.

A request was made to have the meeting dates emailed to Council Members. Both future meeting dates and council members’ contact information will be emailed to everyone. In the interim OCO Advisory Council meeting dates are located on our website.

**INVESTIGATOR’S REPORT**

 Reporting period 12-3-20 to 1-27-21

**Number of new complaints (11)**

They are as follows:

* 4- Memorial complaints
* 1-Religious cemetery/funeral home memorial vendor-referred to Board of Morticians
* 1-Covid relief request to cancel contract due to loss of employment
* 1-General maintenance
* 1-Defunct exchange plan purchased from previous cemetery owner
* 1-Contract performance on a floral contract
* 1-Burial location contested-request vs. completion
* 1-Insurance assignment regarding non-disclosure of 3rd party fee

**FINANCIAL COMPLIANCE**

Currently, 49 perpetual care/preneed burial trust reports for 2019 have been analyzed. The new year initiates a timeline for fiscal 2020 reports to be submitted. Cemeteries have 150 days from the fiscal year end date that falls on a day during the calendar year 2020 to submit the required reports.

As of January 2021, there were 47 trust funds that have experienced positive equity, both income and/or total market value have seen an increase over the end balance for the fiscal year 2018. Two trust funds have experience negative equity; to where one has seen neutral growth (no increase or decrease in market value) and the other has seen a decrease in market value from the end balance for fiscal year 2018.

In 2018 there were 48 reports and in 2019 there were 51 reports.

Currently 7 balance sheets with positive equity have been reviewed for cemeteries renewing their business licenses for the 2020 calendar year.

Larger holding companies are allowed to submit combined balance sheets for cemeteries, which decrease the amount of balance sheet submissions.

2019-Total Held in Perpetual Care Trusts: $101,530,632.06

2019-Total Held in Pre-Need Trusts: $169,917,405.90

Increases reported for both Perpetual Care and Preneed Trusts Funds.

A questionnaire has been sent to all licensed cemeteries in an effort to review which of the non-reporting cemeteries are exempt from maintaining perpetual care trusts. Most cemeteries have completed the questionnaire. Next step is to analyze responses.

**Discussion**

Member March-What is the effect of a surplus of funds coming into OCO through fees? The Commissioner and Deputy Commissioner of the Division of Occupational and Professional Licensing prepare the budget. Our budget is approximately around $600,000 per fiscal year which includes the salaries and overhead, etc.

Member Zinner-What are the total number of contract fees that are received during each renewal cycle?

Executive Director Rappazzo has requested IT to develop a report that shows yearly and comparative contract fees.

Hart, AAG. – The OCO is specially funded. This means that the OCO’s funding comes from the fees it collects. AAG Hart will look into the OCO’s specific statute, but in general specially funded Boards and Commissions retain the unspent portions of their special fund and such proceeds do not revert back to the General Fund.

Executive Director Rappazzo-There have been delays noted with licensees failing to renew their licenses since the renewal dates have been extended due to the Governor’s Executive Order issued in 2020 due to Covid-19. The office has about 120 extended renewals. However, licensees are being encouraged to renew and time of licensing is not being extended. There is a mechanism for which a waiver can be sought, but OCO has not done so.

Member March-Request to see questionnaire that examines who should report, and who is exempt. Executive Director Rappazzo will share the questionnaire with all members.

Member March-Out of the 89 licensed cemeteries, how many are contributing to the operational budget of the OCO?

Hart, AAG.-Fees are collected from all licensees, otherwise they do not get a license. Because it is specially funded, the OCO is funded solely by the fees it collects. Therefore, arguably all the licensees are contributing to the operational budget of the OCO. The amount of fees paid differs by the type of licensee and whether they sell burial goods.

Executive Director Rappazzo-Renewals for monument dealers and cemeteries (that sell) include contract fees (any contract over $250.00, a fee of $15.00 is paid to the office).

Chair Porter-Acknowledgement of the Commissioner, thanking him for forwarding letter regarding “Consideration of Death Care Responders as Essential Workers and Heroes”.

**LICENSING SPECIALIST**

Continues to process the licensing renewal listing in which renewals are being sent via email and only a few are being mailed.

**LEGISLATIVE UPDATE**

* SB106 - Licensing –Good standing with the State Department of Assessments and Taxation–Requirement

**Synopsis:** “Requiring, before certain licenses or permits are issued or renewed, the issuing authority to verify with the State Department of Assessments and Taxation that the applicant is in good standing with that Department if the applicant is an entity required to submit a certain report and not a natural person.”

This bill will affect the entire Division of Occupational and Professional Licensing. Executive Director Rappazzo reports that she already checks with the SDAT website as to if the OCO permit holder is in “good standing” before issuing a permit.

Update-Favorable committee report with amendments.

* SB180/HB604 – Funeral Establishments and Crematories – Unclaimed Cremains of Veterans – Notification, Disposition, and Reporting

**Synopsis:** “Specifying that the purpose for which licensed funeral establishments and holders of certain permits are authorized to transfer unclaimed cremains of a veteran or an eligible dependent to a veterans service organization under certain circumstances is for the appropriate disposition of the cremains; requiring a funeral establishment or crematory to transfer certain cremains to the Department of Veterans Affairs for the purpose of the appropriate disposition of the cremains; etc.”

This is the same bill as SB84 from last year that passed out of the Senate with amendments.

 Update-Committee hearing was held on January 26th.

* SB192 / HB0005 - Cemeteries - Perpetual Care - Distribution From Perpetual Care Trust Fund

**Synopsis:** “Requiring a distribution from a perpetual care trust fund to be used for certain purposes; permitting a certain cemetery to select a certain method of distribution from a certain perpetual care trust fund; requiring the cemetery to submit a certain statement to the Director of the Office of Cemetery Oversight if the cemetery selects a certain method of distribution from the perpetual care trust fund; requiring the Director to make a certain report to certain committees of the General Assembly on or before December 1, 2027; etc.”

Except for a few changes to the wording, substantively this appears to be the same HB243 that passed out of the House with amendments in the 2020 Legislative Session.

The committee hearings on HB0005/SB109 were held remotely on January 21, 2021 at 1:00

PM and 1:30 PM respectively. The Council was directed to the General Assembly’s website for

more information on how to view the remote committee hearings.

Update-HB005 was referred to subcommittee and SB0192 was referred to a work group.

Legislative Testimony-If you are testifying in your personal capacity, the Secretary’s legislative policy requires “that the member clearly states on the record before the testimony is offered that his or her testimony is not offered in any official capacity or as a representative of the Department, Board, Commission or Advisory Council.” For any questions you can send them to the Director and she will be forwarded to Secretary Office.

**Discussion**

Member Zinner-Pursuant to the Department’s legislative policy Council members are required to give advance notice to the Office of the Secretary that he or she will be testifying on a bill on which the Department has taken a position. As a result, the legislative policy needs clarification as to how Council members can find out whether the Department has taken a position on a specific bill.

Hart AAG-Suggested that if Council members are concerned whether the Department has taken a position on a bill that they intend to testify on in their personal capacity, then they can provide a list of those bills to the Director and she can run it by the Secretary’s Office for an answer.

Member Zinner-In the initial fiscal note submitted by the OCO on last year’s version of HB005/SB0192 it was stated that there would be a cost to the OCO to implement the bill, this year there is no fiscal impact, why?

Hart-AAG-Fiscal impact information is communicated to the legislature by the Secretary’s Office and they make the final decision on impacts.

**UNFINISHED BUSINESS**

PRINCE project tabled due to COVID-19, hopefully it may be resumed between Aug 2021-Dec 2021. Previously placed on hold by the Department of Public Safety and Correctional Services due to staffing shortage. The project should be kept on agenda going forward for consideration.

**NEW BUSINESS**

 None

 **COUNCIL CONCERNS**

 Member March- Cemetery workers should be classified as essential. Member March raised his concerns that his company houses both those individuals licensed by the Board of Morticians and Funeral Directors who are eligible for vaccination, and those licensed by the OCO who currently appear to be ineligible. Unfortunately, even those currently eligible for vaccination cannot get an appointment.

 **PUBLIC COMMENTS**

 Mr. Cody-What percentage of consumer complaints are related to non-OCO registrants? Executive Director Rappazzo will have to look into this request.

 Mr. Destefano-SB 192 if anyone needs any additional information, documentation will be provided.

**CLOSING REMARKS**

**February 25th 10:00**

**Meeting adjourned 11:31 a.m.**