

Service Corporation International

Opponent Testimony to Senate Bill 224

Ohio Senate General Government Budget Committee

October 18th, 2021

Chairman Peterson, Vice Chair Wilson, Ranking Member Craig and members of the Senate General Government Budget Committee, thank you for the opportunity to provide testimony on SB 224. While we appreciate the efforts this legislation does to improve regulations for funeral homes across Ohio, we currently oppose SB 224 as written for the unduly burdens it will place on Ohio's cemeteries.

Service Corporation International (SCI) Shared Resources is North America's leading provider of funeral, crematory, and cemetery services. Our nearly 25,000 associates serve more than 450,000 families who turn to us each year to care for their loved ones. In Ohio, we own and operate 29 funeral homes and 15 cemeteries in 38 cities and 19 counties. In 2020, we served over 6,200 families and employed over 500 individuals across the state.

While much of the bill cleans up and improves regulations for funeral homes, one particular provision adds onerous new regulation requirements onto cemeteries for the sale of preneed goods, particularly caskets.

Under current law, cemeteries in Ohio are regulated by the Ohio Department of Commerce. SB 224 places additional burdens by making cemeteries subject to regulations from the Ohio Board of Embalmers and the Ohio Board of Funeral Directors.

In addition, the bill would require cemeteries to trust such goods at a much higher rate, taking away funds used to provide maintenance of cemeteries that operate at very small margins, or do not profit at all. Simply put, this legislation is an attempt by some funeral homes and the Ohio Funeral Directors Association to eliminate or reduce competition on the sale of preneed goods. There are other factors that should be considered in opposing this provision in the bill including:

- The State or industry cannot point to any overt consumer protection problem or complaints. The law has worked fine for over 20+ years.
- During and post the COVID-19 pandemic, the last thing Ohio businesses and organizations need are new costly regulations.
- Funeral homes have the luxury of selling insurance, whereas cemeteries do not. The bill will reduce the
 revenue used to maintain cemeteries. This will not put us at risk of closure but will put others in the
 industry at risk.

As a company that operates funeral homes and cemeteries throughout Ohio, and a member of both the Ohio Funeral Directors Association (OFDA) and the Ohio Cemeteries Association (OCA), we are not interested in refereeing a twenty-year spat between the two associations, and we simply ask for the regulatory status quo of preneed goods, including caskets.

We humbly ask for your consideration to remove any provisions of SB 224 that add new regulations onto cemeteries. Thank you for allowing us to provide testimony on SB 224 and we welcome any questions from the committee.

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