

STATE OF OHIO BOARD OF EMBALMERS AND FUNERAL DIRECTORS

77 South High Street, 16th Floor, Columbus, OH 43215-6108 • Office (614) 466-4252 • Fax (614) 728-6825 Email: info@funeral.ohio.gov • Website: www.funeral.ohio.gov The State of Ohio is an equal opportunity employer

Mike DeWine, Governor of Ohio Jarrod Williams, Interim Executive Director T George Horne II, Board President A

Thomas Taneff, Board Vice President Amanda Crates, Board Secretary/Treasurer

Edward C. Nurre Jon W. Rettig, Sr. Adriana Sfalcin William C. Wappner, CFSP, CCO

Good morning, Chair Huffman, Vice Chair Johnson, Ranking Member Antonio, and members of The Ohio Senate Health Committee. My name is Jarrod Williams, and I currently serve as the Interim Executive Director of the State of Ohio Board of Embalmers and Funeral Directors. I am pleased to have this opportunity to come before you today to provide testimony regarding Main Operating Budget House Bill No. 33 on behalf of the Board.

The mission of the Board of Embalmers and Funeral Directors is to protect consumers and regulate the funeral profession and cremation services to ensure competency and ethical behavior.

The Board is comprised of seven members appointed by the governor with the advice and consent of the senate. Five members are licensed practicing funeral directors, four of which are also licensed practicing embalmers with at least ten consecutive years of experience in Ohio. One of the funeral directors also holds a crematory operator permit. In addition to the licensed members, two members of the Board represent the public; one being at least sixty years of age.

The Board office staff currently consists of eight total employees; three of which are facility inspectors and one auditor who are in the field.

In accordance with Chapter 4717 of the Ohio Revised Code, the Board of Embalmers and Funeral Directors is the licensing agency and regulatory body for approximately 6,700 licenses in Ohio. The Board issues nine license types: embalmer apprenticeship, funeral director apprenticeship, crematory operator permit, embalmer, funeral director, courtesy card permit, crematory facility, embalming facility, and funeral home facility.

In addition to licenses and compliance oversight, the Board reviews and approves quality continuing education program applications from persons or organizations that contribute to professional competency and relate to the practice of cremation, embalming, and funeral directing.

The Board's budget proposal request for state fiscal year 2024 is \$2,273,000. Funding for state fiscal year 2025 is \$2,275,000 for a biennium budget total of \$4,548,000.

The Board's operations are supported by licensing fees and other receipts deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90) as required by Ohio Revised Code. Payroll costs for full-time personnel and board member compensation is expected to account for about \$2.1 million of the total budget. Approximately ten percent of the two-year funding is for supplies and maintenance for ordinary, regular expenditures related to the eLicense system and department of administrative services billing for fleet management, information technology, rent, etc. The modest increase in budget over previous biennium is expected to cover the Board's anticipated operational costs.

The Board's operations include administration of the Automated Reporting and Preneed Payment System supervised by the Board's Preneed Compliance Administrator/Analyst. ARPPS was implemented in late 2017 with the help of Ohio House Bill No. 48 passed by the 132nd General Assembly after investigations of theft of prepaid preneed funeral funds from consumers by licensed funeral directors. Today, ARPPS continues to provide consumer protection oversight of a portion of the state's estimated \$800 million worth of preneed funeral contracts.

The Automated Reporting and Preneed Payment System is a method of quarterly reporting of preneed funeral contracts sold by licensed funeral directors in this state and supports the Board's Preneed Recovery Fund. Each contract reported to the system is accompanied by a \$10 fee that is collected and deposited to the fund for the purpose to reimburse purchasers of a preneed funeral contract who have suffered a financial loss as a result of malfeasance, misfeasance, default, failure, or insolvency in connection with the sale of a preneed funeral contract by a licensee. Affected consumers may apply to the Board through its application process.

The Preneed Recovery Fund is a non-GRF, non-state fund that is managed outside of the Ohio Administrative Knowledge System. Monies deposited are also not credited to the state treasury. However, the fund is in the custody of the State Treasurer but not part of the state treasury.

Another program under the Board of Embalmers and Funeral Directors' purview is the Indigent Burial and Cremation Support Program. The purpose of this program is to reimburse local government entities for the cost of providing burials or cremations to indigent deceased persons.

One million dollars is appropriated annually to the Board's program through the General Revenue Fund to provide subsidies to local governments entities in Ohio. The IBCSP allots up to \$11,000 in eligible reimbursement for each of the state's eighty-eight counties prior to placing applications in a reserve status. If available funding permits, applications in reserve may be submitted for reimbursement. In the program's history, 84 of 88 counties have applied for reimbursement.

In closing, the Board has an enormous responsibility to act in the best interest to protect and serve Ohioans during some of the most stressful periods of their lives. While dealing with death is never easy, it is important to have qualified, dedicated professionals to assist individuals during difficult times.

The Board of Embalmers and Funeral Directors is grateful for the opportunity to share our story and seeks your continued support. I am grateful for your time and attention while I welcome your questions.