

Nov. 9, 2021

Larry Keough and Rick Meade
Opponent/SB 224
Senate General Government Budget Committee

Chairman Peterson, Vice Chair Wilson, Ranking Member Craig and members of the Committee, my name is Larry Keough. I am the associate director of the Catholic Conference of Ohio and represent the Bishops in matters of public policy, including issues relating to Catholic Cemeteries.

Although we are comfortable with most of the provisions in SB 224, lines 1474-1479 and lines 311-314 are problematic for us, which is why we oppose the bill.

Rick Meade, president of Catholic Cemeteries in Ohio, will explain our concerns in the balance of this testimony.

Under current law, funeral goods, unlike funeral services, may be sold by persons and entities that are not funeral directors. Cemeteries sell funeral goods pursuant to preneed cemetery merchandise and services contract.

But lines 1474-1479 makes it impossible for not-for-profit cemeteries to sell funeral goods, such as burial vaults, on a preneed basis.

We place an emphasis on ministry and mission to fully serve citizens and families in Ohio with convenience and selection. This includes pre-need planning as well as at-need.

Heretofore, it is about 50-50 as to whether families choose Cemeteries or Funeral Homes to begin the preplanning process.

Creating an unlevel playing field does not serve well the citizens of Ohio.

The bill language would either require a cemetery company or association that sells funeral goods to do so pursuant to a preneed funeral contract, which is subject to all requirements of sections 4717.31 to 4717.38 of the Ohio Revised code, or make it appear that such requirement is the law. The provision is convoluted.

Not-for-Profit cemeteries can't comply with ORC sections 4717.31 through 4717.38 for several reasons. Most notably, their inability to sell insurance without losing their tax exemption under Internal Revenue Code 501 © (13) makes it impossible for not-for-profit cemeteries to comply with the trusting requirements in such ORC sections.

Our **second issue** is in response to expanded rulemaking that would be granted to the Board of Embalmers and Funeral Directors. Lines 311 through 314 of the bill would create a new category of Chapter 119 rule-making authority for the Board of Embalmers and Funeral Directors. Such expansion would grant the Board of Embalmers and Funeral Directors rule-making authority over the requirements for the sale of preneed funeral services and preneed funeral goods.

As previously stated, any person or entity may sell preneed funeral goods under current. However, only cemeteries and funeral homes do so. As such, the new rulemaking category, as introduced, is obviously intended to allow the funeral industry to regulate cemeteries.

Many years ago the Ohio Legislature demonstrated that it understood that and as such, this type of regulation would be wrongful if enacted.

ORC 4717.04 ©, the Board of Embalmers and Funeral Directors' jurisdiction over cemeteries is limited to matters involving crematories located at cemeteries.

Moreover, for more than two decades, cemeteries have reported their sale of preneed funeral goods to the Department of Commerce.

I currently serve on the Ohio Cemetery Dispute & Resolution Commission. A great number of cases and issues have to do with cemeteries with little to no funding available.

It seems counterproductive to introduce legislation that seeks to inhibit the revenue raising capabilities of cemeteries.

Cemeteries are expected to be cared for perpetually.

Oversight by the Department of Commerce is the proper authority.

At this time, I would be pleased to answer any questions.