



**Ohio Senate General Government Budget Committee  
Hearing on Senate Bill 224  
March 1, 2022**

**Opponent Testimony of Randel L. Rogers  
On behalf of  
The Green Lawn Cemetery Association**

Chair Peterson, Vice Chair Cirino, Ranking Member Craig, and members of the Senate General Government Budget Committee, thank you for the opportunity to testify today. My name is Randy Rogers and I am the Executive Director and Past President of the Green Lawn Cemetery Association here in Columbus, where I have been a trustee for ten years. Green Lawn is the second largest cemetery in Ohio, founded in 1848 and providing a final resting place for over 155,000 people. Today we conduct over 400 services per year and provide another 450 families with preneed sales of internment rights, merchandise, and services. We anticipate another 100 years as an active cemetery.

We strongly oppose the preneed funeral contract provisions of SB 224. As other stakeholders have explained to the committee over the last several months, SB 224 would greatly increase the rate at which cemeteries must hold in trust revenue from preneed casket sales, which would severely restrict the traditional use of these funds for maintaining and operating our 360 acre non-profit cemetery campus. We understand these changes have been proposed in order to provide consumer protection benefits and “level the playing field” between cemeteries and funeral homes. But in our experience, current law provides more than adequate consumer protections and as with other non-profit cemeteries, we do not hold a competitive advantage over Ohio’s funeral homes.

At least as it relates to preneed casket sales, Senate Bill 224 appears to be a “solution in search of a problem.” Currently all preneed merchandise or services sold by cemeteries see 30% of the sales price or 110% of the cost, whichever is greater, placed in a Merchandise and Services Trust. On average these funds remain trusted for nine years between purchase and delivery, and this system has proven adequate to its intent for decades. We remain unaware of any consumer-related issues that would necessitate a modification of these regulations or require the legislative remedy outlined in SB 224.

The bill’s mechanics appear to support our position. As amended, SB 224 retains the proven current trust formula for all preneed sales of cemetery merchandise and services but creates a special “carve out” only for the preneed sale of a casket. If the formula works and protects the consumer for an outer burial container or a memorial, why would a casket sale require special treatment? Caskets are just another form of merchandise and we see no justification for different trusting requirements applied to this category of sales. And while we understand that Ohio’s funeral homes—the main advocates of this legislation—use preneed casket sales as their primary source of income, we do not believe their revenue model and casket sale competition with the state’s cemeteries should be the basis for such a wholesale change in state law and policy.

As to the level playing field, yes, funeral homes and cemeteries both do business in the death care industry. But for decades they have operated under significantly different business models, which is the very reason for the existing regulatory framework. Current law protects consumers based on the models used, and trying to place funeral home regulation on cemeteries (or vice versa) does not work or make sense from our perspective. In particular:

- Funeral homes operate on an “At-Need” model where they collect the majority of their income (and profit margin) when a customer passes away. Hence why trusting requirements currently allow for the collection of funds at the time of death. In our experience funeral homes are generally inactive in their efforts to sell merchandise and services on a preneed basis.
- Cemeteries operate on a “Pre-Need” model. They focus on getting in front of the customer ahead of time and making decisions in anticipation of death. This model is predicated on providing an ample amount of funds to be trusted for the future date while allowing the profit portion to be realized today. There is no emotion ahead of time, which allows a family to make wiser financial decisions—as shown by the National Funeral Directors Association, which indicates that customers save between 15-20% when making these decisions in advance.

Car dealers, parts shops, and carwashes are all businesses in the auto industry even when some of their products overlap. But like funeral homes and cemeteries these businesses operate with very different business models. Do we need to level the playing field between a car wash and a car dealer because both sell detailing?

This bill places additional burden on cemeteries when they sell preneed caskets. In doing so, rather than levelling the field, it simply gives an advantage to funeral homes that will exclude cemeteries from selling this product. Functionally, the bill would limit consumer choice between competing offers. It results in government—rather than the market place—choosing which business has an advantage. As currently drafted, the bill would eliminate Green Lawn’s ability to offer consumers caskets on a preneed basis, which will a) raise the price of caskets due to a lack of competition and b) cause families to make more costly decisions at a time of great emotional stress, instead of facilitating their ability to make these decisions in advance (while not under duress).

We have consulted with our counterparts in the Ohio Cemetery Association and believe that a good faith effort has been made to amend this bill and achieve consensus among all stakeholders. Unfortunately, in spite of these efforts and the amendments adopted today, we remain strongly opposed to the current version of SB 224 and believe it is flawed in numerous respects as outlined above.

Thanks again for the opportunity to share our perspective. I would be happy to answer any questions.