



ADVISORY COMMITTEE MEETING MINUTES

Wednesday, May 22, 2024 - 10:00 a.m.

Advisory Committee Members

Jolena Grande
Maggie McMillan
Rev. Jason E. Bense

Stakeholder Members

Bennie Jones
Cheo
Glenn Gomez
Kim Evans
Levi Winegar
Margaret Billingsley
Roger Decker
Steve Crawford
Tamela Mease-Van Vactor
Michael

DCA Staff

Michael Kanotz
Korrina Moreno
Trisha St. Clair, meeting moderator

Absent: Jasmine Berrios, Chanel O'Farrill, Rev. Jacob Jett, and Jean Okuye

Cemetery and Funeral Bureau (Bureau or CFB) Staff: Gina Chiaverini Sanchez, Bureau Chief, Sandra Patterson, Bureau Deputy Chief, Michelle Arthur, Audit Manager, and Carolina Sammons, Legislative Analyst.

1. Opening Remarks/Roll Call of Members.

Bureau Chief, Gina Sanchez, called the meeting to order at approximately 10:05 a.m. welcoming those in attendance. Ms. Sanchez indicated that the meeting is open to the public in Sacramento and available via WebEx and teleconference platforms. Ms. Sanchez provided instruction on the conduct of the meeting including how to make public comment and introduced the meeting moderators. Ms. Sanchez conducted roll call of committee members.

2. Update on The International Conference of Funeral Services Examining Boards Annual Meeting (The Conference)

Advisory Committee Member Jolena Grande provided the update. Ms. Grande spoke to the following:

- Federal Trade Commission, updated version of the Funeral Rule.
- Innovation in licensing and additional jurisdictions getting on board with natural organic reduction and alkaline hydrolysis and additional licensing conventions.
- Federal Professional License Portability and State Registration.
- Colorado's proposed regulatory package seeking to adopt laws and rules governing funeral services.
- Release of the 2023 annual statistics, and the 2024 first quarter statistics data for the National Board Exam.

Ms. Sanchez announced she has been appointed a board member for The Conference at District 9, and is looking forward to working in this capacity.

Ms. Sanchez opened the meeting for committee members and or public comments. There were no committee or public member comments made.

3. Public Comment Items Not on the Agenda.

Public commentor, Benny Jones asked about the status of abandoned cemetery, Lincoln Memorial Park Cemetery in Carson. Is there an option or availability to use the Endowment Care Fund to cover the cemetery maintenance?

Bureau Legal Counsel Michael Kanotz responded that they are unable to respond to this comment because of current litigation. However, there is general information on the Bureau's website that may be beneficial.

No other public comments were received.

4. Update from the Department of Consumer Affairs Representative

Ms. Korrina Moreno provided an update on departmental activities, which included topics of Public Service Recognition Week, Business, meet and greet with recently appointed Consumer Services and Housing Agency, Secretary Tomiquia Moss, licensing scam targeting licensees, DCA's Diversity, Equity, and Inclusion Steering Committee (DEI), outreach participation, the annual filing of the Form 700 statement of economic interest and required Board Member Orientation Training.

Ms. Sanchez and opened the meeting for comments. The Advisory Committee members and the public members had no comments.

5. Licenses Display; Form and Content (Business and Professions Code section 7680).

Ms. Sanchez indicated that the purpose of this discussion is to seek input as to whether the Bureau needs to explore a statutory change or regulations proposal to update Business and Professions Code section 7680, the license display requirement, and make the requirements more consumer-friendly, while also saving costs on printing and mailing. This discussion also explored the use of QR codes for license verification.

Committee Members Ms. Grande and Ms. McMillan expressed concerns about the accessibility and practicality of current license display requirements and suggested alternative approaches.

Ms. Sanchez thanked Ms. Grande and Ms. McMillan for the comments made. Ms. Sanchez then opened the meeting for public comments. The public members had no comments.

6. Update on Bureau Activities: Ms. Sanchez reported on:

a. Sunset Review Hearing:

Ms. Sanchez indicated the Bureau's 2024 Sunset Review Hearing was very successful. Ms. Sanchez testified before the Legislative Committee speaking to the Bureau's accomplishments over the past five years along with the current issues the Bureau is facing related to endowment care and the abandoned licensed cemeteries. The Joint Hearing Senate Business, Professions and Economic Development Committee and Assembly Business and Professions Committee, Monday, March 11, 2024, is available for watching at the California State Senate Hearing, Media Archive's webpage.

b. Update on the Strategic Plan:

Ms. Sanchez indicated the Strategic Plan is in its final review and development. Once completed it will be released and posted on the Bureau's website and an e-mail blast will be sent out.

c. Staffing:

Ms. Sanchez reported the Bureau has two vacancies. The Bureau is currently recruiting for a Staff Services Manager and a Licensing Analyst.

d. Budget:

Ms. Sanchez provided an overview of the Bureau's Fund Condition for fiscal year (FY) 2022-23 referencing the handout provided.

e. Business Modernization Project Update:

Bureau Deputy Chief Sandra Patterson reported on the progress and impediments of this project. Ms. Patterson reported the following:

- Over the past 2 years, the Bureau has been involved in the development of the new IT platform by providing subject matters experts, testing functionality, and giving feedback to developers. The new database ([CFBconnect](#)) went live in May of 2023, and currently two online applications have been released, Original Funeral Establishment and the Funeral Director.
- The Bureau is actively working towards the release of additional initial licensure applications for business and personal licenses, and the release of license maintenance applications such as name change, address change, change of manager/corporate officer, etc.
- The Bureau transitions toward more efficient electronic business practices, and as more applications are released online, the paper applications will eventually be removed from the Bureau's website, and will only be made available upon request.

Ms. Sanchez reiterated that the paper applications will be removed from the Bureau's website and encourage applicants to use the CFB connect platform when submitting applications and when possible the applicant may make full payment of examination and license fee to avoid delays in the processing of the license once the examination is passed.

f. Audit Unit Update:

Michelle Arthur, Audit Manager reported on the handout provided for this report.

2022 Annual Reporting of Licensee Trust Funds:

The Bureau has oversight of over 3.264 billion dollars. These funds include the 1.6 billion in Endowment Care Funds (ECF), over 996 million in Special Care Funds (SCF), \$3 million in Special Endowment Care Funds (flower funds), and over 622 million in funeral preneed funds. There are 187 individual cemetery licenses that hold ECF and 133 cemetery licensees that hold SCF. On the funeral side, 709 funeral establishments hold preneed funds.

CFB Conservatorship of Funds as of March 31, 2024

The Bureau currently conserves over \$27 million. The trust funds include ECF and SCF.

Ms. Sanchez thanked the licensees that report on time, and to expect an increase citations for late reporting or non-reporting. Ms. Sanchez spoke to the Bureau's fiduciary responsibility over these funds to ensure that consumer funded trust funds held and invested by licensed funeral establishments and cemeteries are protected.

Ms. Sanchez opened the meeting for Advisory Committee Member comments. Ms. Grande expressed appreciation to the Bureau for completing another successful Sunset Review Hearing, and looks forward to the updated strategic plan and continued transparency. Regarding the budget, will it have an impact on the vacant positions and the hiring to fill the vacancies?

Ms. Sanchez projects that the current budget will not have an impact. The Bureau is currently in the middle of the recruitment process and expects the open position will be filled by end of fiscal year, June 30, 2024. Additionally, the Governor's Budget also referenced an eight percent reduction in operations, which the Bureau is currently working with the Department Budget's office to meet this budget reduction.

Ms. Grande asked about the Embalmer's application, will it be migrated to BizMod? Also, regarding submitting electronic transcripts, or certifications, is the Bureau establishing an email for an applicant to submit, or are applicants required to mail them through regular mail.

Ms. Sanchez confirmed that the Embalmer's application will be migrated to CFB Connect. Also the Bureau is exploring the possibility of accepting electronic transcripts for embalmers applications

Ms. Sanchez opened meeting for public comment. Commenter Steve Crawford with the California Funeral Directors Association asked if the application to request duplicate license will be next to be available through the business modernization platform.

Ms. Sanchez indicated that these applications are grouped in the maintenance phase. Eventually as the Bureau reaches the maintenance phase, these applications and others like change of address, change of name, change of corporate officer or trustee will be available through CFB connect. There were no other public comments received.

7. (a) 2023 Chaptered Legislation: Ms. Sammons reported on the handout for this agenda item. She reported on two bills that were chaptered and one bill that is currently being tracked.

Chaptered Bills: Assembly Bill 883, Business licenses: United States Department of defense SkillBridge program; and Assembly Bill (AB) 1560 (Flora, Chapter 206, Statutes of 2023) Crematories: change in ownership.

(b) 2024 Legislation Update

The Bureau is currently tracking Assembly Bill (AB) 3254 (Committee on Business and Professions). This is the Bureau's Sunset Bill. Endowment care cemeteries; reporting.

Ms. Sanchez indicated CFB has amended the Military Affidavit which will be posted on CFB's website by July 1, 2024, and any military request received will be process accordingly. AB 1560 became in effect as of January 1, 2024 and CFB has released an application for applicants interested in applying for an assignment of a crematory license, and in the meantime CFB moves forward with the regulations to implement this new law.

As for AB 3254, Ms. Sanchez indicated this is the Bureau's Sunset Bill. AB 3254 discusses the performance of endowment care fund and the reporting requirements and the focus on

abandoned cemeteries and the need for legislation to address the maintenance of these cemeteries.

Ms. Sanchez opened the meeting for Advisory Committee and public members. There were no comments received.

8. 2024 Regulatory Update:

Ms. Sammons summarized the status of each Bureau regulatory package in progress as noted on the handout provided for this report.

Ms. Sanchez thanked the industry for their valuable contribution as the Bureau prepared the regulatory action to implement both regulatory packages, Approval to Train Apprentice Embalmer and the Assignment of a Crematory License. Ms. Sanchez stated that if anyone wants to make comments on the handout provided for this report regarding the Assignment of a Crematory License to contact the Bureau.

Ms. Sanchez opened the meeting for Advisory Committee member comments. Ms. Grande asked how soon will the application for Approval to Train Apprentice Embalmers be available through CFB Connect?

Ms. Sanchez indicated this application will be in CFB Connect when the Bureau reaches the maintenance phase.

Ms. Sanchez opened the meeting for public comment. There were no other public comments received.

9b. Licensing Statistical Report and Update on Examination Development.

Ms. Sanchez presented on this agenda item referencing the handouts.

1. Licensing Performance Measures,
2. Licenses Issued Statistics,
3. License Renewal Statistics,
4. Exam Pass Rate Statistics, and
5. Common Application Deficiencies.

Ms. Sanchez opened the meeting for Advisory Committee Member comments. Ms. Grande asked if the number of renewals decreased since the new fee schedule went into effect? Ms. Grande also indicated that regarding application deficiencies, there have been some issues and confusion regarding the live scan services requirements for funeral director license applicants on the application and on the website that needs some clarification in alignment with the practices and may be beneficial to reduce application deficiencies.

Ms. Sanchez indicated the number of renewals has decreased since the increase in the renewal fees by about 1000 licenses. The decrease overall from about 13,000 to over 11,000. As for the live scan application deficiencies, there are no exemptions. Applicants are required to submit a live scan for each application. CFB will review the online and paper applications and ensure the applications reflect this requirement.

Ms. Sanchez opened the meeting for public comment. There were no public comments received.

9b. Update on Examination Development:

Ms. Sanchez led the discussion on this item.

- The Bureau will be completing the crematory manager examination development, the last workshop will be on June 13-14, 2024. The new exam will be released soon after that. Ms. Sanchez thanked all the subject matter experts that participated in this examination development.
- The next exam development/occupational analysis will be the funeral director, which is done every five to seven years. The recruitment will begin in July 2025.

Ms. Sanchez opened the meeting for public comment. There were no other public comments received.

10. Enforcement Statistical Report. Ms. Sanchez presented on this agenda item and referenced the handouts.

1. Summary of Enforcement and Compliance included: Inspections Conducted, Complaint Received, Citation Issued, Accusations Filed with the Attorney General's Office (AG), and Formal Discipline (completed AG cases),
2. Common Violations for cemetery, and for funeral establishments.

Ms. Sanchez opened the meeting for Advisory Committee member comments. Rev. Bense asked how often does the Bureau update the Consumer Guide to Funeral and Cemetery Purchases?

Ms. Sanchez indicated that the Bureau just updated the guide recently. Prior to this it had been a few years. The new guide now includes alkaline hydrolysis, and most likely it will be revised in 2027 when natural reduction is implemented. With the latest revision, the Bureau also completed the Spanish version and is exploring other languages for better consumer accessibility.

Ms. Grande asked regarding the status of the draft of the regulations for natural reduction and whether a cremated remains disposer registration will have to have a natural organic disposer registration to be able to disperse of the reduced remains or will there be a requirement of holding a natural organic disposer registration/license?

Ms. Sanchez indicated the natural reduction becomes in effect on January 1, 2027. The Bureau has begun to draft regulations and inspection protocols, similar to alkaline hydrolysis and crematory, and expects the Bureau to be ready to accept application for licensure by the implementation date. The cremated remains disposer will not need to hold a natural organic disposer registration or license.

Ms. Sanchez opened the meeting for public comment. There were no public comments received.

11. Adjournment – meeting was adjourned at 12:00 p.m.