

March 20, 2015

To: Jan Nordlund, Committee Administrator
Re: HB3242 Cemetery "receivership"

Chair Holvey and members of the House Committee on Business and Labor:

For the record my name is Wally Ordeman. I'm a funeral director from Albany and I represent the Oregon Funeral Directors Association.

House Bill 3242 has come about because of a very real need to provide the Oregon Mortuary and Cemetery Board with the tools and leverage to assist Oregonians when cemeteries have ceased to operate due to abandonment, bankruptcy, mismanagement, or disciplinary action.

At this time, the OMCB cannot step in to operate a cemetery under these circumstances, nor should they. However, we believe that they should be able to appoint others who could step in temporarily so that burials can still take place in circumstances where there's been a death, the burial property is already owned by the consumer, and there's no person or entity with the legal right to get the burial done. As you can imagine, these issues can be time sensitive, as well as emotionally challenging for grieving families.

This legislation would allow the OMCB to issue temporary "permits" to a qualified person and provide a remedy for these families that want some closure. Those qualified persons might include another local cemetery, a funeral director or firm, a local gravedigger, or a vault company that also provides gravedigging services.

There have been two major situations just like this in the last one and a half years. One of them in my own community, where a local cemetery became a "non cemetery" when the OMCB pulled the license of the cemetery and cemeterian due to disciplinary reasons. Our funeral home was responsible for caring for a deceased man who owned a plot in this cemetery. Upon learning that we couldn't legally arrange for the burial and services for this man, we had to approach the family with the news that we were on "hold." In this particular case, a licensed funeral director not affiliated with any firm stepped forward and agreed to serve as an interim manager for the cemetery, the OMCB fast tracked the application and was able to relicense the cemetery. BUT, we truly didn't know until the 11th hour whether we'd be able to take care of this family on the timetable they wanted. It's important to note that the OMCB didn't recruit this licensee, nor could they. If he hadn't heard the situation and stepped up, we might still be on hold for that burial. Or more likely the family would have had to abandon their plans for burial in that cemetery and purchase a site again in another cemetery.

While the bill certainly addressed the intent of what we were hoping to accomplish, the language was too broad and allowed the OMCB more latitude than the industry and the OMCB were comfortable with. The proposed dash 1 amendment we've collaborated on speaks to this and we feel is an excellent approach to providing a remedy.

HB3242 -1

1. Remove lines 4-25. (This deletes the existing sections 1, 2 and 3.
2. Replace with the following language:

Section 1. (1) A Task Force is created to make recommendations to the Legislature [or name specific committee] on Cemeteries that are abandoned, insolvent, have filed for bankruptcy or are no longer under the control of the cemetery authority.

(2) The Task Force will be comprised of, at a minimum:

- a) A Legislator, and representatives from;
- b) Oregon Historic Cemetery Commission
- c) Department of Finance & Corporate Securities
- d) Department of State Lands
- e) Oregon Mortuary and Cemetery Board
- f) Cemetery Association of Oregon
- g) Oregon Funeral Directors Association
- h) Oregon Associations of Counties, Cities and Special Districts
- j) Cemetery Authorities

(3) The Task Force will create a report identifying the current state Cemetery operation and regulation in Oregon, as well as recommendations addressing Cemetery records, trusts, rights of interment, and the transfer, care and maintenance of grounds and physical assets.

(4) This report will be presented no later than March 2016

Section 2. (1) The Oregon Mortuary & Cemetery Board may grant a temporary permit for the sole purpose of authorizing an interment in a Cemetery that does not have a valid license to operate, when such a license is otherwise required.

(2) A permit may be granted only when there is a pre-existing right of interment within the subject cemetery, and where there has been death requiring burial.

(3) A permit may only be granted to a current licensee of the Board, or to a party that is a member of the Cemetery profession.

(4) Permit recipients are required to comply with all record-keeping and documentation requirements, and are required to verify the plot location prior to burial.

(5) The Board shall create Administrative Rules describing the permitting process.

(6) The Board may not charge a fee for this permit.

(7) This permit authority will automatically sunset January 2017.

In closing, the OFDA feels that this legislation is necessary for the protection of Oregon's citizens. Having worked with grieving people for over 30 years, I can say with all certainty that this bill can provide a level of protection at a time when people don't need any more angst.

I thank you for your time and welcome any questions.

Sincerely,

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