



ADVISORY COMMITTEE MEETING MINUTES

Thursday, May 19, 2022 - 10:00 a.m.

Advisory Committee Members

Jolena Grande
Nichol Montague
Chanell O’Farrill
Jean Okuye

Stakeholder Members

Jerry Desmond, Cemetery & Mortuary
Association of California (CMAC)
Jose Henson, Mount Sinai Mortuary
Stephen Crawford
Brianna Miller
Karen McLaughlin
Slschacht
Shivon Ozinga
Rye Purvis
Rodrigo Gomez
Dale Lessick
Laura

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

Department of Consumers Affairs (DCA or Department) Staff: Brianna Miller, Bureau Liaison, Michael Kanotz, and Danielle Rogers, Staff Counsel, Rose Turner, Legislative Affairs Office, and Sarah Hinkle, Budget Analyst

1. Introduction and Opening Remarks.

Bureau Chief, Gina Sanchez, called the meeting to order at approximately 10:00 a.m. welcoming those in attendance in the Bureau’s return to in-person meetings. Ms. Sanchez indicated that the meeting is open to the public and we have two in-person meeting locations, Sacramento and Cypress. The meeting is also available via the WebEx and teleconference platforms. Ms. Sanchez provided instruction on the conduct of the meeting including how to make public comment, conducted Advisory Committee Members roll call, and introduced the meeting moderator, CFB and Department’s staff members.

Ms. Sanchez asked if there was anyone who would like to make public comments about agenda item number one. No public comments were received.

2. Public Comment on Items Not on Agenda.

Ms. Sanchez asked if there was anyone who would like to make public comments about items not on the agenda. No public comments were received.

3. Update from the Department of Consumer Affairs' Representative.

Ms. Brianna Miller, Manager for Boards and Bureau Relations provided a report on departmental activities which included the following:

- As of April 1, 2022, all boards and bureaus transition back to in person meetings in accordance with the Open Meeting Act.
- Assembly Bill (AB) 1733, which would permanently allow boards and committees to meet remotely while also providing both virtual and physical location options for members of the public to participate, was not heard in a policy committee before the deadline and would not be moving forward this year.
- Board and Bureau Relations distributed to all board and committee members guidelines and requirements to adhere to when conducting in-person meetings.
- Beginning April 1, 2022, DCA would be administering surveys until further notice to capture and track the costs and benefits of conducting remote meetings as allowed under the prior executive order.
- CFB's Budget and Fee Proposal – DCA's executive team is committed to work and support the Bureau through this process.
- DCA's Enlightening Licensing Report (ELP) was released on May 13, 2022. This innovative and collaborative project was started to streamline and enhance licensing processes by utilizing the knowledge and expertise of subject matter experts (SMEs) within DCA boards and bureaus. The first ELP was conducted in partnership with the Board of Registered Nursing (BRN). After a thorough assessment of BRN's licensing processes, the ELP Co-Chairs, after review and receiving input from the SMEs, provided recommendations to introduce new ideas and implement best practices for critical licensing activities.
- Announcement of new members of DCA's executive team including Tonya Corcoran as the DCA Compliance and Equity Officer, Terrence Brass as the Chief of the Division of Investigation, and Dadang Prihadi as DCA's Chief of internal audits.
- Announcement of departure members of DCA's executive team, Carrie Holmes, Deputy Director of Board and Bureau Relations left DCA effective May 13, 2022, and Ms. Miller has accepted another position and will be leaving her role on June 10, 2022.

Ms. Sanchez thanked Ms. Miller for her presentation and opened the meeting for committee members and or public comments. There were no comments made.

4. Update on Bureau Activities: Ms. Sanchez provided the following updates:

a. Staffing:

Ms. Sanchez congratulated Mona Mathews and Carolina Sammons for being the recipients of the Superior Accomplishment Award. They performed a superior job and provided significant contributions during the preparation of the unitrust regulatory package.

b. Budget:

Ms. Sanchez stated that as part of the meeting materials there is a fund condition provided with a preparation date of May 9, 2022. The governor recently released the May Revision Budget which now includes appropriation the Bureau is expected to receive in fiscal year 2022-23 to support its business modernization efforts. Ms. Sanchez provided an overview of the Bureau's revised fund condition with a preparation date of May 17, 2022. Ms. Sanchez noted that although the fund condition has not been released in previous meetings, she is looking forward to sharing the Bureau's fund condition in future meetings.

c. Business Modernization:

Bureau is continuing the project to transition to a new software platform expected to streamline internal processes and allow for online submission of all license types and annual reporting requirements. The project timeline is expected at 18 months to implement several new processes. The second application the Bureau has started to work on is the funeral director application. This is the second biggest application pool. The first application is the Cemetery Salesperson which is already in an electronic form. The staff will be working with Sandra Patterson, Deputy Bureau Chief as she is the project owner overseeing implementation. The Bureau will be announcing its incremental achievements through its social media (email blasts and Facebook posts).

Ms. Sanchez opened the meeting for committee members and or public comments. There were no comments made. Ms. Sanchez then introduced Michelle Arthur, Bureau's Audit Unit Manager to present the next section of this meeting agenda item.

d. Annual Trust Reports:

Ms. Arthur spoke to the annual trust reports requirement for cemeteries and funeral establishments. The Bureau provides oversight for over 1.4 billion dollars in cemetery endowment care funds, 8.11 million dollars in cemetery special care fund, 7.11 million dollars in funeral preneed trust funds – for a total of 2.9 billion dollars.

Ms. Arthur spoke to the reporting percentages of the 2020 mandated annual trust reports submitted to the Bureau by the licensed cemeteries and funeral establishments and reiterated the requirement to submit their annual financial reports to the Bureau. All licensed funeral establishments are required to submit their annual reports by May 1st., and all licensed cemeteries are required to submit their annual endowment and special care trust funds by June 1st.

Cemeteries: Ms. Arthur reported for the 2020 Annual Reports, 52% report on time, 35% report 30 days late, 2% report 60 days late, 2% report 90 days late and 9% do not report.

Funeral Establishments: The 2020 Annual Reports, 36% file report on time, 24% file report 30 days late, 28% file report 90 days late, and 10% do not file reports.

Cemeteries: 2021 Total Quarterly Report: 61% file on time 30% file reports 30 days late, 3% file reports 60 days late, 5% file reports 90 days late, and 1% do not file reports.

Crematories: 2021 Total Quarterly Report: 53% file on time 30% file reports 30 days late, 4% file reports 60 days late, 11 file reports 90 days late, and 2% do not report.

The Audit Unit works diligently with all licensees to get them into compliance with reporting and fiduciary mandates.

e. Consumer Guide to Funeral and Cemetery Purchases

Ms. Sanchez reported that staff continue working on the revision process to the Consumer Guide to Funeral and Cemetery Purchases. The Bureau welcomes any input and a draft copy for comment will be released at the October 2022 meeting.

Ms. Sanchez opened the meeting for member comments.

Committee Member Jolena Grande asked, how impactful is it to the Bureau that licensee do not submit reports on time? Ms. Sanchez stated that the revenue is eventually collected, even when reports are late. The impact is absorbed by the Bureau staff members having to prepare late notices and sometimes the referral to citation or fines.

Ms. Sanchez then opened the meeting for public comment.

Public Member Dale asked, can information be updated regularly? and how can it be reviewed for comments?

Ms. Sanchez indicated that minor changes such as names or addresses can be updated on a flow basis. However, the entire guide may be updated annually. The guide is currently available electronically at www.cfb.ca.gov. It can be download and saved as a Portable Document Format (PDF). Comments may also be submitted via email at emailcfb@dca.ca.gov. or by mail to the Bureau address of record.

Commenter Jerry Desmond representing CMAC commented that cemeteries may have an existing inventory of the guide that will take coordination to transition to the new guide. If the guide was updated frequently, it would be challenging to transition

Ms. Sanchez indicated that the Bureau would consider this issue as we worked through the revisions.

Committee Member Nichol Montague indicated that she is having trouble getting the online version of the form, Declaration for Disposition of Cremated or Hydrolyzed Human Remains. Ms. Sanchez indicated that it could be a technical difficulty and a Bureau staff will be assigned to make sure the link is operating, and an email will be sent out providing Ms. Montague the link.

Committee Member Chanel O’Farrill asked if the copy of the Consumer Guide to Funeral and Cemetery Purchases that will be released in October would be available for review and comments? Ms. Sanchez stated that the Consumer Guide to Funeral and Cemetery Purchases will be a final draft and review and comments will be welcomed. The final version is expected to be released at the end of the year. Licensees will have enough time to go through their existing inventory before the revised guide is available.

5. 2022 Legislation Update: Ms. Sanchez reported on the following Legislative bill that is currently being monitored.

- AB 351, Garcia, Reduction of human remains and the disposition of reduced human remains. This bill would require the Cemetery and Funeral Bureau to license and regulate reduction facilities, which the bill defined as a location where natural, organic reduction of a human body occurs, and reduction facility managers, and would have enacted requirements applicable to reduction facilities, which are substantially similar to those for crematories and hydrolysis facilities. This bill would require a local registrar of births or deaths to issue permits for the disposition of reduced human remains.

Ms. Sanchez opened the meeting for committee member comments.

Committee Member Chanel O’Farrill stated that she is happy to see California support this final disposition and hopes the Bill moves forward.

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

6. Regulatory Update: Ms. Sanchez reported on the following Regulatory action as of May 1, 2022.

1. AB 926, (Irwin, Chapter 750, Statutes of 2017) and AB 795, (Irwin, Chapter 309, Statutes of 2019), Cemeteries: Unitrust Conversion. The Office of Administrative Law (OAL) approved the rulemaking file, and it became effective on January 5, 2022.

2. AB 830, (Flora, Chapter 376, Statutes of 2021), Business: Department of Consumer Affairs: licensed professions and vocations. This bill amended Health and Safety Code (HSC) section 8726.2(b)(3). On February 2, 2022, the Bureau filed a Section 100, Publication of “Changes without Regulatory Effect” with OAL. This action without regulatory effect amends the type of work experience required for a cemetery authority can apply to the Bureau for approval to convert from the net-income-distribution method of endowment care trust fund administration to the unitrust-distribution method. OAL approved this action on March 17, 2022.

Ms. Sanchez opened the meeting for committee and public members comments.

Commenter Mr. Desmond expressed his appreciation to the Bureau for the efforts to develop this complicated regulation and application package to implement the unitrust conversion opportunity for the endowment care fund cemeteries. Mr. Desmond indicated that the unitrust conversion method in the long-term growth of the endowment care fund will benefit California consumers and appreciates that the regulatory package is finished, and cemeteries may now apply.

Ms. Sanchez moved to the last item in this Agenda topic.

3. The Review of the Proposed Language and Notices for AB 293, (Kalra, Chapter 514, Statutes of 2021), Preneed funeral arrangements: unclaimed property. This bill has a delayed implementation date of January 1, 2023. The new law establishes procedures for when and how preneed funeral arrangements that are not claimed upon the beneficiary’s death should escheat to the state under the Unclaimed Property Law. The Bill Requires a funeral establishment that intends to cease operations to provide notice to beneficiaries or trustors and trustees of preneed funeral trusts, with certain requirements.

Ms. Sanchez opened the meeting for committee and public members comments.

Commenter Mr. Desmond indicated that AB 293 mandates are new to the funeral industry and since the Proposed Language was just disseminated, his association is reviewing it in order to provide comments or suggestions to the Bureau in the next two weeks or so in order to meet deadlines and timeframes.

7a. Licensing Statistical Report and Update on Examination Development. Ms. Sanchez led the discussion on this topic. Ms. Sanchez referred participants to the handouts provided and identified that data is for the current fiscal year 2021-2022, as of March 31, 2022.

Ms. Sanchez spoke to the below statistics:

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

Ms. Sanchez opened the meeting for committee member comments. There were no comments from the committee members.

7b. Update on Examination Development: Ms. Sanchez led the discussion on this item. The Bureau continuously works with the Department's Office of Professional Examination Services (OPES) on examination development for the five examinations we administer – funeral director, embalmer, crematory manager, cemetery manager, and cemetery broker.

6. Embalmer Examination Development: Ms. Sanchez reported that the Bureau has completed the Embalmer examination development and it is anticipated the new exam will go live in July 2022.

7. Funeral Director Occupational Analysis and Examination Development: This summer the Bureau will begin working on the funeral director examination which will include an occupational analysis. The Bureau will be recruiting licensees to participate in the occupational analysis workshops. The Bureau uses subject matter experts to assist in developing a valid examination. Travel expenses are reimbursed in accordance with state guidelines, and the Bureau pays an honorarium of \$250 per day for all workshops. If you are a licensed funeral director, please be on the lookout for this information and consider participating in the workshops.

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

8. Enforcement Statistical Report. Ms. Sanchez led the discussion on this topic. Ms. Sanchez referred participants to the handouts provided and stated data is for the current fiscal year 2021-2022, as of March 31, 2022.

Ms. Sanchez spoke to the below statistics:

1. Inspections Conducted,
2. Complaint Received Statistics,

3. Citation Issued Statistics and,
4. Most Common Violations for cemetery and funeral establishments.

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

9. Proposed October 2022 Advisory Committee Meeting Date(s): Ms. Sanchez proposed October 11, 2022, from 10: a.m.- 12:00 p.m. for the next Advisory Committee Meeting.

Sanchez opened the meeting for committee member comments.

Committee Member Jolena Grande and Jean Okuye accepted the date.

Ms. Sanchez opened the meeting for public members comments.

Public member Dale commented he loves the WebEx option without this he would not be able to attend.

10. Adjournment – meeting was adjourned at 11:27 a.m.