

Oregon Mortuary & Cemetery Board  
Consumer-Industry Advisory Committee Meeting  
Tuesday, March 13, 2007

**Minutes**

**Members Present:**

Jon Cummings	Chair, OMBC
Joncile Martin	OMCB
Rick Bennett	AARP
Wally Ordeman	OFDA
Tim Corbett	CAO
Don Ballantyne	Crematories
Scott Logan	OFDA
John Springer	Crematories

**Members Absent:**

Nancy Felton	CAO
Christina Todd	FCAO

**Guests:**

Chad Dresselhaus	AFCTS
Kathy Wentz-Phelps	Funeral Service Practitioner

The meeting was called to order at 9:00 a.m.

**Minutes:**

A motion to approve the February 1, 2007 minutes was made by Wally Ordeman and seconded by Joncile Martin. Approval of the February 20, 2007 minutes was deferred until Wally can make suggested changes to same. The February 20 minutes will be reviewed and approved at the next committee meeting.

**Old Business:**

Old Business was temporarily deferred so that our guest, Kathy Wentz-Phelps could discuss her review of the Immediate Disposition inspection sheet and make recommendations to the committee. The committee does not have a member representing the Immediate Disposition sector and Kathy was initially associated with an Immediate Disposition company so Jon Cummings had asked her to look at the inspection list for us and suggest changes, as needed. Joncile Martin will send a draft of the

recommended changes to Kathy Wentz-Phelps to review and then distribute to committee members after any changes suggested by Kathy are incorporated.

**New Business:**

The issue of apprentice logs being inspected was discussed. Some felt that having inspectors look at such logs was helpful and could identify issues before they became bigger problems. Others felt that apprentice logs were not an issue that should be reviewed on inspections of the licensee and were not authorized in the ORS. Do we want help or do we want staff to look at only statutorily authorized issues? Although some wanted help from the inspectors, the feeling was that we are asking for inspections based on statutory authority and cannot have it both ways.

Tim Corbett advised that he had received several phone calls from licensees regarding investigators negotiating fixes during investigations. Some feels that staff is acting as legislator, judge, and jury and making decisions before the OMCB even sees the case. This happens primarily on investigations but also on inspections. Tim Corbett suggested that licensees be allowed to come to one of the committee meetings to tell their stories on specifics of some investigations. Rick Bennett suggested that, if we allow licensees to come in, we should also invite Board inspectors/investigators to come in to discuss procedures used during inspections/investigations. This would not be at the same meeting but would be an attempt to give equal time to both sides. No vote was taken on this issue as we all agreed we would consider it when we address investigations.

We discussed the FTC issue and whether or not there is a statute authorizing inspections on compliance with FTC requirements. If OMCB does not inspect for compliance, which Agency will do so? Wally Ordeman pointed out that the federal agency does random "stings" on industry for compliance and that non-compliance is very expensive (i.e., about \$10,000/violation). Joncile Martin said that ORS 692.180 addressed compliance with FTC requirements but it appears that the law only addresses investigations. The committee agreed that investigations were covered by this statute but does not believe that such authorization carries to inspections. Joncile Martin said that she is uncomfortable with allowing no oversight on the financial requirements as she feels that is an area where the elderly are most vulnerable.

The committee also discussed the inspection of registration as a certified provider with DCBS. This should be a licensing issue, not an inspection issue. Rick Bennett asked if there are certain unique features on the various inspection lists that should be maintained even if dropped from

other inspections. Most of the industry members felt there were not. All agreed that if an item is taken off one inspection list, it should be removed from all inspection lists to maintain consistency.

A discussion of whether or not the Board had authority on registration of pre-need salespersons determined that ORS 97.931 does give the OMCB responsibility for registrations of salespersons for endowment care cemeteries, preconstruction sales and prearrangement sales. All agreed that the Board check registration of pre-need salesperson for past two years and make sure that pre-need contracts for that period reflect licensed salespersons.

On inspection sheets, we need to make a master list of common issues to be sure recommendations are consistent across all inspections lists. Examples given: No FTC requirements, no DCBS requirements, and no questions that are related to issues not under statutory authority of Board. Once we have common issues, then we can follow with a specific list of recommendations for each inspection sheet

The committee decided that a progress report letter should be written to the OMCB so that they could see what issues we were working on and get a sense of where such work was heading. Wally Ordeman will put together a cover letter detailing the basic concepts that Committee has identified and get it out to committee via email for review. A quick turnaround by committee members was requested so that we can get the report in the Board package in time for review at March 27, 2007 Board meeting. Jon Cummings will ask Carla to add copies of inspections sheets to Board packet.

We discussed trying to get all the recommendations on inspections together for the March 27, 2007 meeting but decided the timing was too tight. So we plan to introduce the specifics on each inspection sheet at the next meeting of the OMCB which will be held on May 22, 2007. Jon Cummings will not be able to attend that meeting so Joncile Martin will introduce the issue at the Board meeting. Representatives from the OFDA, COA, Crematories, and Immediate Disposition licensees will be at the meeting to discuss the specific recommendations and to answer questions from the Board.

A long discussion followed about the proposed "progress report" to the OMCB. Issues that were identified as being out of OMCB's jurisdiction were inspections relating to compliance with the following: (1) Secretary of State – Corporations Division; (2) FTC requirements under 16 CFR 453; (3) Department of Consumer and Business Services (DCBS); (4) questions that are best handled through another process such as licensing; (5) questions that have no means of verification; and (6)

statutory intent – those questions that have no basis in the Oregon Revised Statutes. The committee initially wants to eliminate these questions from inspections but will advise on similar eliminations from the Oregon Administrative Rules at a later date.

The progress report will also discuss the procedure the committee has used since it was organized in January 2007. We set up our goals and developed a mission statement, identified the issues to be addressed, prioritized those issues, and decided to bring the issues to the Board by category as they were decided rather than wait to do all issues at the end. The committee believes that by streamlining the inspection process, we can ensure that inspections are conducted every two years as mandated by ORS and therefore increase consumer protection.

Tim Corbett suggested that someone should be named as the dedicated historian to keep copies of all minutes, inspection sheets, agendas, etc. Joncile Martin volunteered to do this.

**Next meeting:** April 3, 2007 at 9:00 a.m. in AARP office

The meeting was adjourned at 12:18 p.m.

Written by Joncile Martin  
March 18, 2007