

## Memo

**To:** Gov Ops Chairpersons

**Subject:** Submission for the February 2005 Gov Ops Meeting

**RE:** Rulemaking to raise NC Cemetery Commission License fees

During the Summer 2004 Session, the legislature amended GS 65-54, 65-55(c), 65-57( c), 65-58 ( c),and 65-59,by eliminating the old set fees and instead setting out a range with a cap for each fee, with the actual amount of each fee to be set by the Commission by the rulemaking process. TheCommission meets quarterly, and voted to set the new fees at its January 2005 meeting. The Commission is supposed to be a receipt supported agency, but has been assisted by State Funds from the Department of Commerce since last March. On January 1, 2005, we owed Commerce about \$15,000. All these license fees expire June 30 each year. New fees have to be in place by July 1. There are 176 regulated cemeteries and about 500 preneed sales persons.

The proposed fees are:

Annual Cemetery license to be raised from \$300 to \$500 resulting in \$35,200 in new revenue.

New Cemetery application fee to be raised from \$800 to \$1000

New cemeteries are rare. There was one in 2004

Annual license for sales and management organizations, and brokers to be raised from \$100 to \$500

New sales and management organizations application fee to be raised from \$400 to \$600

New broker application fee to be raised from \$200 to \$400

There are three sales organizations, one broker and one management organization.

New preneed salesperson application fee to be raised from \$15 to \$50 resulting in \$2620 in new revenue.

The preneed sales person license fee to be a 2 year non transferable license at \$50 instead of a one year license at \$10 resulting in \$ 20,000 in new revenue.

The Change of Control fee to be raised from \$200 to \$500 plus the Commission's cost of the required review

Change of Control documentation will be required to be filed within 30 working days instead of the present 10 working days

Change of Controls are around ten a year at the most.

A very conservative estimate, not considering change of controls, new cemeteries or the sales, brokers and management organizations, is that these new fees will yield \$57,620.

The Cemetery Commission has one very big problem. If these fees are to be in effect for 2005-2006, they will need to be effective rules by July 1, 2005. The Notice Of Text has

been filed with OAH, and the hearing will be at the next Commission meeting on May 11, 2005.

Claud R. Whitener III  
Administrator