

REPORT SUMMARIZING THE LICENSING ACTIVITIES  
OF THE  
NORTH CAROLINA BOARD OF FUNERAL SERVICE

Section 93B-2 of the General Statutes requires an annual financial report and a report of licensing activities be filed with the Secretary of State, the Attorney General and the Joint Legislative Administrative Procedure Oversight Committee. This report covers the Board's calendar/fiscal period of January 1, 2015 to December 31, 2015.

1: The North Carolina Board of Funeral Service is located at 1033 Wade Avenue, Suite 108, Raleigh, NC 27605. Current officers and members of the Board are:

Valdus T. Lockhart (December 31, 2017)  
*President*  
2525 McArthur Landing Cir., #102  
Fayetteville, NC 28311

Marvin Kelly Byrd (December 31, 2017)  
*Vice President*  
P.O. Box 3625  
Monroe, NC 28111

Charles J. Graves (December 31, 2016)  
*Secretary*  
P.O. Box 824  
Swannanoa, NC 28778

W. Stephen Aldridge III (December 31, 2017)  
P.O. Box 207  
Albemarle, NC 28002

Elizabeth Williams-Smith (December 31, 2016)  
9318 Lake Spring Ave.  
Charlotte, NC 28216

Matt P. Staton (December 31, 2018)  
P.O. Box 248  
Rockwell, NC 28138

Mark. P. Blake\* (December 31, 2016)  
300 St. Mary's Street  
Raleigh, NC 27605

**Craig Olive (December 31, 2017)**  
**5278 US Hwy 70 Bus. W.**  
**Clayton, NC 27520**

**Public Member Vacancy (December 31, 2017)\*\***

Bold face indicates public members  
Members terms end as indicated in parentheses

\*On March 28, 2016, Mr. Blake was appointed by the Governor's office to serve the remaining term of Mr. Kenneth Stainback, who resigned from the Board in November 2015. Mr. Blake has not yet been sworn in as a sitting member.

\*\*This vacancy was created by the resignation of Broadus Combs on January 28, 2016.

1a: There are 2,939 individuals licensed by the Board, including 1,875 funeral service licensees, 924 funeral director licensees, 15 with both funeral director and embalmer licenses, 5 embalmer-only licensees and 120 transporters.

2: In 2015, one hundred and thirty-six (136) individuals applied to the Board for examination.

- 3:** There were zero (0) candidates who were refused examination.
- 4:** One hundred and two (102) candidates took the examination.
- 5:** Eighty-three (83) initial licenses were issued to candidates who passed the examination and completed all other statutory requirements for licensure.
- 5a:** Nineteen (19) candidates failed the examination.
- 6:** Sixty-three (63) candidates were provided with applications for licensure by reciprocity or comity.
- 7:** Thirty (38) candidates were granted licenses by reciprocity or comity.
- 7a:** During Fiscal Year ending December 31, 2015, the Board received one hundred and sixty-seven (167) complaints, one hundred and fourteen (114) of which were consumer complaints and fifty-three (53) of which were staff generated complaints.
- 7b:** During Fiscal Year ending December 31, 2015, eighty-eight (88) disciplinary actions were taken by the Board. These actions involved multiple types of licenses and permits (individual, preneed establishment, at-need establishment, transport, etc.).
- 8:** As allowed under the provisions of N.C. General Statutes §§ 90-210.25(e), 90-210.69(c), and 90-210.134, the Board may impose a variety of sanctions when it finds violations of Articles 13A, 13D, and/or 13F of the North Carolina General Statutes. In addition to license revocation or suspension, other allowable disciplinary actions include probation, civil penalties, or a combination of these. Generally, cases in which the Board imposes terms of probation included stayed license revocations or suspensions. During Fiscal Year ending December 31, 2015, eight (8) individual licenses or establishment permits were revoked; one (1) mutual burial association was revoked; one (1) application denial was upheld; one (1) reciprocal application license was approved pursuant to a probationary period; three (3) individual licenses or establishment permits were suspended, but said suspensions were stayed pursuant to a probationary period; twenty-eight (28) individual licenses or establishment permits were revoked, but said revocations were stayed pursuant to a probationary period; two (2) establishment permits were summarily suspended; three (3) individual licenses were ordered to take continuing education pertaining to preneed funeral planning; and two (2) individual licensees were ordered to pay restitution for misappropriation of preneed funeral funds in the total aggregate amount of \$25,986.82. The terms of probation ranged from one (1) year to five (5) years. Thirty-nine (39) civil penalties in amounts ranging from \$250.00 to \$1,500.00 were imposed.
- 9:** Thirty-three (33) individual licenses were terminated in 2015 due to the death of the licensee.
- 10:** House Bill 296, "An Act Amending the Laws Pertaining to the Practice of Funeral Service," was filed with the General Assembly on March 18, 2015. HB-296 proposes various statutory amendments, including but not limited to: (1) clarifying costs for the re-inspection for funeral homes and/or documents required by the Federal Trade Commission that fail inspection; (2) requiring for licensure a successful examination on the standards set forth by the Federal Trade Commission in Funeral Industry Practices, 16 C.F.R. 453; (3) clarifying the disciplinary actions the Board can take with respect to trainees; (4) requiring professional liability insurance coverage for unaffiliated licensees; (5) clarifying disciplinary actions that may be taken with respect to various licensees and/or permit holders; (6) removing the "grace period" for late individual and establishment license annual renewals; (7) clarifying the limitations on a preneed salesperson attempting to sell preneed funeral contracts at more than one establishment; (8) requiring that mutual burial associations comply with all requirements imposed on an insurance company or insurer; and (9) requiring copies of burial-transit permits issued by the jurisdiction where death occurred before cremating any human body that died outside of North Carolina. The Board anticipates some potential revisions to the language existing in House Bill 296, to include clarifying existing statutes regarding the definition of the practice of funeral service and proposing new statutory language to govern the practice of funeral service that takes place online or through otherwise electronic means.

**11:** At this time, there are no anticipated changes to the Board's existing rules or proposed new rules. However, the Board may consider in the near future whether to begin discussions of potential rulemaking changes, to include repeal of any rules found to be unnecessary; amendment of any rules found to be outdated or unclear; and adding rules to help clarify the Board's Practice Act.

#### **PART B: RECEIPTS AND DISBURSEMENTS**

The Board operates on a calendar fiscal year. On Thursday, April 21, 2016, Bernard Robinson & Company, LLP sent copies, via electronic correspondence, of the Board's audited financial report for 2015 that provides the information on receipts and disbursements as required by N.C. Gen. Stat. § 93B-2(b) to the following persons:

Laura Klem, North Carolina Office of the State Controller  
Denise Jones, North Carolina State Publications Clearinghouse  
Donald Crooke, North Carolina Office of State Budget & Management  
Harrison Moore, North Carolina State Legislature  
Karen Cochrane-Brown, North Carolina State Legislature  
Lauren Lemons, North Carolina Office of the State Controller  
Melissa Lovell, North Carolina Department of Justice  
Ron Maggio, North Carolina Office of the State Auditor  
Publications, North Carolina Secretary of State

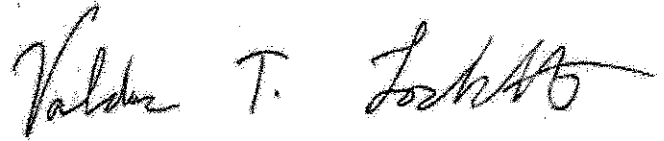
A bound copy of the Board's audited financial report for 2015 has also been sent to Denise Jones at the following address:

State Publications Clearinghouse Liaison  
Government & Heritage Library  
State Library of North Carolina  
4643 Mail Service Center  
Raleigh, NC 27699-4643

The foregoing report summarizes the licensing activities of the North Carolina Board of Funeral Service for calendar year 2015. Additional information is available upon request.

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Respectfully submitted,

A handwritten signature in black ink that reads "Valdis T. Lockhart". The signature is written in a cursive style with a large initial 'V' and a distinct 'L'.

Valdis T. Lockhart  
President  
North Carolina Board of Funeral Service

A handwritten signature in black ink that reads "Christina D. Cress". The signature is written in a cursive style with a large initial 'C' and a distinct 'D'.

Christina D. Cress  
General Counsel / Interim Office Manager