



NORTH CAROLINA BOARD OF FUNERAL SERVICE

Stephen Davis
Executive Director

Mark Blake
President

April 30, 2020

TO:

NC Office of State Budget and Management
NC Department of Justice/Office of the Attorney General
NC Department of the Secretary of State
NC Joint Legislative Administrative Procedures Oversight Committee

FROM: Stephen E. Davis
Executive Director

A handwritten signature in black ink that reads "Stephen E. Davis". The signature is written over the printed name and title.

RE: Annual Report of Licensing Activities Pursuant to NCGS 93B-2

The North Carolina Board of Funeral Service submits the attached report of licensing activities in accordance with the reporting requirements of NC General Statute 93B-2 which states:

No later than October 31 of each year, each occupational licensing board shall file electronically with the Secretary of State, the Attorney General, the Office of State Budget and Management, and the Joint Legislative Administrative Procedure Oversight Committee a financial report that includes the source and amount of all funds credited to the occupational licensing board and the purpose and amount of all funds disbursed by the occupational licensing board during the previous fiscal year.

This report covers the Board's fiscal year for the period ending December 31, 2019. A completed audit of the Board's financial statements has been filed via separate e-mail by the firm Bernard Robinson & Company, CPA which includes all financial reporting including the source and amount of all funds credited to the Board as well as disbursements during the FY2019.

SED:sd

cc: Mark Blake, President, NC Board of Funeral Service

**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, 2019 to December 31, 2019.

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

NAME	ADDRESS
Mark Blake President December 31, 2022 Gov - NCFDA	Brown-Wynne Funeral Home 300 St. Mary's Street Raleigh, NC 27605
Don Brown Vice President December 31, 2022 Gov - FDMANC	Don Brown Funeral Home 497 2 nd Street Ayden, NC 28513
Chris Watson Secretary December 31, 2020 Gov - NCFDA	Parrish Funeral Home 1351 South Pollock Street Selma, NC 27576
J. Stephen Herndon December 31, 2020 Gov - NCFDA	Padgett and King Mortuary 227 E. Main Street Forest City, NC 28043
Valdus T. Lockhart December 31, 2020 Gov - FDMANC	Wiseman Mortuary 431 Cumberland Street Fayetteville, NC 28301
Craig Olive (Public Member) December 31, 2020 General Assembly - S	Johnston County Register of Deeds 207 E. Johnston Street, #209 Smithfield, NC 27577
Vacant Seat (Public Member) General Assembly - H	
Hubert Saunders December 31, 2022 Gov - Unaffiliated	342 Creedmoor Road Jacksonville, NC 28546
Dr. Steven L. Lyons December 31, 2023 Gov - NCFDA	Steven L. Lyons Funeral Home 1515 New Bern Avenue Raleigh, NC 27610

- 1a. **The total number of licensees supervised by the Board:** As of December 31, 2019, there were 2,667 individuals with active or inactive licenses issued by the Board, including 1,771 funeral service licensees, 878 funeral director licensees, twelve (12) funeral director and embalmer licensees, and six (6) embalmer licensees. There were 96 transporter permits. There were twenty-six (26) crematory manager permit holders. There were 758 at-need funeral establishment permits. There were thirty-two (32) chapel permits. There were 144 crematory permits. There were eighteen (18) unaffiliated licensees. There was one (1) alkaline hydrolysis establishment.

2. **The number of persons who applied to the Board for examination:** Pursuant to N.C. Gen. Stat. § 90-210.25(a)(1), a person seeking licensure as a funeral director in North Carolina must pass the following examination within the last three years: (i) an entry-level examination in funeral directing; (ii) an examination on the laws of North Carolina and rules of the Board and other agencies dealing with the care, transportation and disposition of dead human bodies; and (iii) an examination of pathology.

Pursuant to N.C. Gen. Stat. § 90-210.25(a)(2), a person seeking licensure as an embalmer in North Carolina must pass the following examinations on the following subjects within the last three years: (i) an examination on embalming, restorative arts, chemistry, pathology, microbiology, and anatomy; and (ii) an examination on the laws of North Carolina and rules of the Board and other agencies dealing with the care, transportation and disposition of dead human bodies.

Pursuant to N.C. Gen. Stat. § 90-210.25(a)(3), a person seeking licensure as a funeral service in North Carolina must pass the following examinations within the last three years: (i) an entry-level examination on funeral directing; (ii) an examination on embalming, restorative arts, chemistry, pathology, microbiology, and anatomy; and (iii) an examination on the laws of North Carolina and rules of the Board and other agencies dealing with the care, transportation and disposition of dead human bodies.

Pursuant to N.C. Gen. Stat. § 90-210.25(b)(1), a person who holds a valid license as a funeral director, embalmer or funeral service licensee issued by another jurisdiction must take an examination to demonstrate knowledge of the laws and rules governing the profession in North Carolina.

One hundred-thirteen individuals applied to take the North Carolina Laws and Rules Examination. Seventy (70) individuals applied to take the North Carolina Pathology Exam. Four (4) individuals applied to take the North Carolina State Board Examination for Science. Eighty-nine (89) individuals applied to take the North Carolina State Board Examination for Arts. Individuals who choose to take the National Board Examinations for Arts and Science instead of the North Carolina State Board Examinations for Arts and Science do not apply to the Board to take said examinations.

3. **The number who were refused examination:** There were zero (0) candidates who applied to the Board to take examinations who were not permitted to do so.

4. **The number who took the examination:** Ninety-Five (95) individuals took the North Carolina Laws and Rules Examination in 2019. Sixty-eight (68) individuals took the North Carolina Pathology Exam in 2019. Three (3) individuals took the North Carolina State Board Examination for Science in 2019. Eighty-Five (85) took the North Carolina State Board Examination for Arts in 2019.
5. **The number to whom initial licenses were issued:** In 2019, one hundred-three initial licenses were issued to candidates for licensure as a funeral director, funeral service licensee, or an embalmer who passed the required examinations and completed all other statutory requirements for licensure. Of these one hundred-three, sixteen (16) were licenses by reciprocity or comity.
- 5a. **The number who failed the examination:** Twenty-one (21) candidates who sat for the North Carolina Laws and Rules Examination in 2019 were unsuccessful in passing it in 2019. Twenty-nine (29) candidates who sat for the North Carolina Pathology Exam were unsuccessful in passing it in 2019. Three (3) candidates who sat for the North Carolina State Board Exam for Science in 2019 was unsuccessful in passing it in 2018. Eighteen (18) candidates who sat for the North Carolina State Board Exam for Arts in 2019 were unsuccessful in passing it in 2019.
6. **The number who applied for license by reciprocity or comity:** Twenty-one (21) candidates applied for licensure by reciprocity or comity in 2018.
7. **The number who were granted licenses by reciprocity or comity:** Of the twenty-one (21) candidates who applied for licensure by reciprocity or comity in 2019, sixteen (16) candidates were granted licenses by reciprocity or comity in 2019.
- 7a. **The number of official complaints received involving licensed and unlicensed activities:** During Fiscal Year ending December 31, 2019, the Board received ninety-seven (97) complaints, seventy-six (76) of which were consumer complaints and twenty-one (21) of which were staff generated.
- 7b. **The number of disciplinary actions taken against licensees, or other actions taken against non-licensees, including injunctive relief:** During Fiscal Year ending December 31, 2019, twenty-nine (29) disciplinary cases were adjudicated by the Board, through which disciplinary actions were taken. These actions involved multiple types of licenses and permits (individual, preneed establishment, at-need establishment, transport, etc.).
8. **The number of licenses suspended or revoked:** 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, 2019, five (5) at-need, preneed establishment permits, or mutual burial associations were revoked; two (2) preliminary application denial was upheld; two (2) preneed establishment permits and their ancillary preneed sales licenses were suspended, but said suspensions were stayed pursuant to certain terms; two (2) establishment permits were placed on an active suspension for a period of time; one (1) preneed establishment permit was placed on an active suspension for a period of time; one (1) preneed establishment permit was placed on a probationary period; four (4) individual licenses were placed on a probationary period; one (1) individual license was suspended, but said suspension was stayed pursuant to certain terms; and twenty (20) civil penalties in amounts ranging from \$250.00 to \$5,000.00 were imposed.

9. **The number of licenses terminated for any reason other than failure to pay the required renewal fee:** Other than those licenses terminated through revocation or voluntary surrender, as described in Paragraph No. 8, seventeen (17) individual licenses were terminated in 2019 due to the death of the licensee.
- 9a. **The number of applicants for a license and, of that number, the number granted a license.**
During Fiscal Year ending December 31, 2019, Fifty-four (54) individuals applied for a funeral director license; of these applications, the Board granted thirty-three (33) funeral director licenses. Forty-nine (49) individual applied for a funeral service license; of these applications, the Board granted thirty-two (31) funeral service licenses. Thirty-two (32) businesses applied for an at-need establishment permit; of these applications, the Board granted thirty-two (32) at-need establishment permits. Eighteen (18) businesses applied for a preneed establishment permit; of these applications, the Board granted seventeen (17) preneed establishment permits. Twelve (12) businesses applied for a crematory permit; of these applications, the Board granted ten (10) crematory permits. Six (6) individuals applied for an unaffiliated practice permit; of these applications, the Board granted five (5) unaffiliated practice permits. Four (4) businesses applied for a chapel permit; of these applications, the Board granted four (4) chapel permits. One (1) business applied for a hydrolysis permit; the Board granted this one (1) application for hydrolysis permit.
- 9b. **The number of applicants with a conviction record and, of that number, the number granted a license, denied a license for any reason, and denied a license because of a conviction.**
During the Fiscal Year ending December 31, 2019, Twenty-four (24) applicants with a conviction record applied for a license or permit from the Board. Of that number, the Board denied five (5) applications for various reasons. Of these denials, four (4) were denied because of the applicant's conviction record.
10. **The substance of any anticipated request by the occupational licensing board to the General Assembly to amend statutes related to the Board:** None.
11. **The substance of any anticipated change in rules adopted by the Board or the substance of any anticipated adoption of new rules by the Board:** On February 8, 2017, the Board submitted its initial G.S. 150B-21.3A Report for a periodic review of its rules, located in Chapter 34 of the North Carolina Administrative Code. The Board voted to make a final determination of its rules following the conclusion of the public comment period, and the Rules Review Commission reviewed and approved the Board's final rule designations at the RRC's June 2017 Commission

meeting. The Board's completed its re-adoption of rules, pursuant to N.C. Gen. Stat. § 150B-21.3A(d)(2), in 2019.

In 2020, the Board intends to adopt rules to interpret recently-promulgated statutes, including but not limited to changes to N.C. Gen. Stat. §§ 93B-8.1(b6), 90-210.25(a)(3a); and 90-210.25(b). The Board also has promulgated emergency and temporary rulemaking to adopt a general waiver rule, whereby the Board may waive certain non-statutorily mandated rules to address the COVID-19 pandemic. The Board also anticipates that it will engage in rule-making in 2020 to repeal any rules deemed unnecessary; to amend any rules deemed outdated or unclear; and to add rules to help clarify the Board's Practice Act. However, the substance of those changes are not yet known.

Part B: Receipts and Disbursements

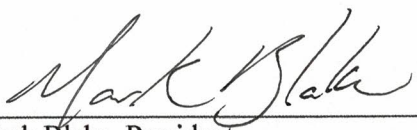
The Board operates on a calendar fiscal year. On April 21, 2020, Bernard Robinson & Company, LLP sent copies, via electronic correspondence of the Board's audited financial report that provides the information on receipts and disbursements as required by NCGS § 93B-2(b) to the following persons:

Pam Wade - N.C. Office of the State Auditor
Denise Jones - State Publications Clearinghouse Liaison
Donald Crooke, NC Office of State Budget & Management
Harrison Moore, NC State Legislature
Ellen Rockefeller – NC Office of State Controller
Melissa Lovell - NC Department of Justice
Publications - NC Secretary of State

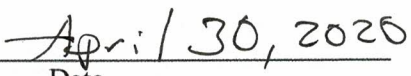
Bound copies of the Board's audited 2019 financial report also were sent to:

Katie Gleason
N.C. Office of the State Auditor
20601 Mail Service Center
Raleigh, NC 27699-0600

Respectfully submitted:



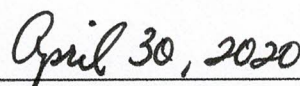
Mark Blake, President



Date



Stephen E. Davis, Executive Director



Date