

## 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, 2024, to December 31, 2024.

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 members and officers in 2024 were as follows:

NAME
<b>Thomas T. Hilderbrand</b> <b>President</b> December 31, 2026 Gov - FDMANC
<b>Richard Hinch</b> <b>Vice President</b> December 31, 2025 Gov - NCFDA
<b>Le'Shekia Coleman</b> <b>Secretary</b> December 31, 2024 Gov - Unaffiliated
Robert D. Nunnaley, Jr. December 31, 2026 Gov - NCFDA
Dr. Kimberly Kelsey December 31, 2025 Gov - FDMANC
Dr. Steven L. Lyons December 31, 2025 Gov - NCFDA
Rev. Roger D. Barnes (Public Member) * December 31, 2026 General Assembly – S *Rev. Barnes resigned from his seat on April 10, 2024
Michael C. Allen, Esq. (Public Member) December 31, 2026 General Assembly - H

- 1a. **The total number of licensees supervised by the Board:** As of December 31, 2024, there were 2,704 individuals with active or inactive licenses issued by the Board, including 1,694 funeral service licensees, 923 funeral director licensees, 19 embalmer licensees, and 68 provisional funeral director licensees. There were 158 transporter permit holders. There were 28 crematory or hydrolysis manager permit holders. There were 771 at-need funeral establishment permits and 632 preneed funeral establishment permits. There were 31 chapel permits. There were 167 crematory permits. There were 26 unaffiliated licensees. There were 7 alkaline hydrolysis establishments.
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 that has equal or greater education, training, and examination requirements must take an examination to demonstrate knowledge of the laws and rules governing the profession in North Carolina.

In 2024, 116 individuals applied to take the North Carolina Laws and Rules Examination. 84 individuals applied to take the North Carolina Pathology Exam.

3. **The number who were refused examination by the Board:** There were 0 candidates who applied to the Board to take examinations who were not permitted to do so.
4. **The number who took the examination:** 116 individuals took the North Carolina Laws and Rules Examination. 84 individuals took the North Carolina Pathology Exam.

5. **The number to whom initial licenses were issued:** In 2024, 149 initial licenses were issued to candidates for licensure as a funeral director, provisional funeral director, funeral service licensee, or an embalmer. 40 initial transportation and removal permits were issued, 5 initial unaffiliated licenses were issued, and 3 initial crematory manager permits were issued. 30 initial establishment permits were issued, and 20 initial preneed establishment permits were issued. 7 initial crematory permits were issued. 2 initial alkaline hydrolysis establishment permits were issued.
- 5a. **The number who failed the examination:** 36 candidates who sat for the North Carolina Laws and Rules Examination in 2024 were unsuccessful in passing it in 2024. 45 candidates who sat for the North Carolina Pathology Exam in 2024 were unsuccessful in passing it in 2024.
6. **The number who applied for license by reciprocity or comity:** 37 candidates applied for licensure by reciprocity or comity in 2024.
7. **The number who were granted licenses by reciprocity or comity:** Of the candidates who applied for licensure by reciprocity or comity in 2024, 8 candidates were granted licenses by reciprocity or comity in 2024.
- 7a. **The number of official complaints received involving licensed and unlicensed activities:** In 2024, the Board received 150 complaints, 111 of which were consumer complaints and 39 of which were staff-generated.
- 7b. **The number of disciplinary actions taken against licensees, or other actions taken against non-licensees, including injunctive relief:** In 2024, 35 disciplinary case proceedings 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.). The Board sought injunctive relief and/or contempt for unlicensed practice in 4 lawsuits before the general courts.
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 can include stayed license revocations or suspensions.

In 2024, 4 licenses or permits were revoked or voluntarily surrendered in lieu of disciplinary action; 4 permits or licenses were actively suspended; 6 licenses or permits were suspended or revoked, but said suspensions or revocations were stayed pursuant to certain terms; 14 permits or licenses were placed on a probationary period; 21 civil penalties in amounts ranging from \$250.00 to \$5,000.00 were imposed; and 2 licensees or permit holders were ordered to reimburse consumers for costs paid.

9. **The number of licenses terminated for any reason other than failure to pay the required renewal fee:** 15 individual licenses were terminated in 2024 due to the death of the licensee.

- 9a. **The number of applicants for a license and, of that number, the number granted a license.**

In 2024, 35 individuals applied for a funeral director license; of these applications, the Board granted 32 funeral director licenses. 57 individuals applied for a funeral service license; of these applications, the Board granted 38 funeral service licenses. 45 individuals applied for a provisional funeral director license; of these applications, the Board granted 42 provisional funeral director licenses.

31 businesses applied for an at-need establishment permit; of these applications, the Board granted 30 at-need establishment permits. 21 businesses applied for a preneed establishment permit; of these applications, the Board granted 20 preneed establishment permits. 5 businesses applied for a crematory permit; of these applications, the Board granted 7 crematory permits. 4 individuals applied for an unaffiliated practice permit; of these applications, the Board granted 5 unaffiliated practice permits. 4 businesses applied for a chapel permit; of these applications, the Board granted 3 chapel permits. 2 business applied for an alkaline hydrolysis permit; of these applications, the Board granted 2 alkaline hydrolysis permits.

- 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.**

In 2024, 39 applicants with a conviction record applied for a license or permit from the Board. Of that number, the Board denied 8 applications for various reasons. Of these denials, 8 were preliminarily denied because of the applicant's conviction record. Of these 8 denials, 4 requested a hearing before the Board to appeal the preliminary denial. Of these 4 appeals, 1 was denied a license because of a conviction, 1 was granted a license notwithstanding the conviction, and 2 remain pending for hearing as a result of the applicants' request to continue the appeals hearings.

- 9c. **The number of applicants who are active-duty military or military veterans, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial.**

In 2024, 0 applicants who are active-duty military or military veterans applied for a license or permit from the Board. Of that number, the Board granted 0 applications and denied 0 applications for various reasons. Of these denials, the reasons for the denial were as follows: N/A.

- 9d. **The number of applicants who are military spouses, the number granted a license, the number denied a license for any reason, and a summary of the reasons for denial.**

In 2024, 1 military spouse applied for a license or permit from the Board. Of that number, the Board granted 1 application and denied 0 applications for various reasons. Of these denials, the reasons for the denial were as follows: N/A.

**10. The substance of any anticipated request by the occupational licensing board to the General Assembly to amend statutes related to the Board:** In 2025, the Board will consider a request to the General Assembly for amending the following statutes:

- **§ 90-210.18A(b)(1) and (3):** to provide for both trade associations, the N.C. Funeral Directors Association, and the Funeral Directors and Morticians Association to have three appointed members to the Board.
- **§ 90-210.20(b1), (c1), and (k1):** to create new definitions for “branch establishment”, “chapel”, and “principal funeral establishment”, respectively, which provide the mechanism by which to allow a funeral establishment owner to operate more than one location that is managed by a single funeral director or funeral service licensee, so long as each building is located within a 50 mile, straight line radius of the principal office. The definition of chapel is revised to more clearly differentiate between the intended purpose of a chapel in relation to the principal funeral establishment license to which it is anchored.
- **§ 90-210.25(a):** to make passing test scores and certified traineeships valid for 5 years rather than 3 years, which is a return to pre-2018 standards; to increase the number of trainees a single funeral director or funeral service licensee can supervise from one to two; to reduce the number of years an individual must be licensed as a funeral director or funeral service licensee from five years to one; to expedite the time necessary to complete criminal background checks by allowing applicants to consent to the use vendors other than DPS.
- **§ 90-210.25(a2):** to no longer allow funeral directors or funeral service licensees to engage in the practice of funeral service independent of a funeral establishment.
- **§ 90-210.25(b):** to lessen the restrictions on license reciprocity by simply stating that such applicant must have a funeral director, embalmer, or funeral service license that is in good standing in a jurisdiction that will reciprocate an equivalent license issued by North Carolina, so long as he or she has met other basic requirements, such as having practiced for at least three consecutive years in the other jurisdiction and passing the Board’s laws and rules exam.
- **§ 90-210.25(c):** to create a new business licensure type for transport and removal permit holders. Under existing law, the Board licenses only the individual and not the business, which sometimes leads to confusion and other potential risks to consumers due to discrepancies in how such permit holders are registered with the Office of the Chief Medical Examiner. Under the proposed revision, each transport company or entity would be required to apply for a business permit, not unlike a funeral establishment permit. Individuals making removals or other transfers under that permit would still need to hold a transportation and removal permit as currently required.
- **§ 90-210.25(d):** to revise the ways and manners in which a principal funeral establishment can register and operate multiple branch locations or chapels under the management of a single funeral director or funeral service licensee; and to address a change of ownership occurring due to the death of the principal owner or shareholder of a funeral establishment, such that estates have up to 180 days to restructure and reapply for licensure rather than having to cease operations.
- **§ 90-210.25(e):** to update the grounds on which the Board could take disciplinary action against a licensee.

- **§ 90-210.25(e1):** to stipulate that the recovery of human tissue is prohibited in both funeral establishments and crematories. Currently only funeral establishments are expressly prohibited.
- **§ 90-210.27A(g):** to allow for multiple funeral establishments or chapels to be operated by a single manager.
- **§ 90-210.29A:** to require funeral establishments and crematories to identify (tag) decedent remains upon taking custody thereof. Under current statute, the remains do not have to be identified until the point of burial or following cremation.
- **§ 90-210.60:** to define cash advance items and differentiate between cemetery related merchandise that may be regulated by the N.C. Cemetery Commission and those that are not, e.g., private monument sales by a funeral establishment representative.
- **§ 90-210.61(d):** to allow a preneed funeral establishment, with the written consent of the preneed contract purchaser, to close out underperforming trust funded preneed funeral contracts (trust accounts) and move the preneed funeral funds deposited therein into an insurance product, regardless of whether the underlying preneed contract is revocable or irrevocable. All such funds withdrawn would have to be placed into the new insurance product.
- **§ § 90-210.63 and 90-210.64:** to clarify that it is the responsibility of the performing funeral home to file a certificate of performance with the Board upon fulfillment of the preneed funeral contract; and to require a financial institution to forward preneed funeral funds to the funeral home or crematory that actually provided the funeral or cremation services.
- **§ 90-210.68(d):** to require insurance companies to provide policy status information for any preneed insurance policy to both the preneed funeral establishment and the Board.
- **§ 90-210.68(d1):** to address how preneed funeral contracts are transferred by the contracting preneed funeral establishment when the funeral home closes or otherwise surrenders its preneed funeral establishment license.
- **§ 90-210.69(b1):** to grant the Board authority to freeze the preneed funeral funds of a preneed funeral establishment should it become necessary to protect the purchasers of preneed funeral contracts.
- **§ 90-210.122:** to repeal the N.C. Crematory Authority, which is, for all intents and purposes, a standing committee of the Board.
- **§ 90-210.123(a):** to allow crematory managers to manage multiple crematories within a 50-mile straight line radius of a principal location.
- **§ 90-210.123(e):** to clarify the conditions of which would constitute a change of ownership of a crematory, and to align them more closely with those requirements placed on funeral establishments.
- **§ 90-210.136:** to bring alkaline hydrolysis licensees under the umbrella of a licensed funeral establishment rather than permitting them to be stand-alone entities.

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:** In 2025, the Board intends to adopt a rule that codifies the procedure by which funeral establishments may register a change in licensed manager with the Board.

The Board also anticipates that it will engage in rulemaking in 2025 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 is not yet known.

## Part B: Receipts and Disbursements

The Board operates on a calendar fiscal year. On April 30, 2025, 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:

- Melissa Lovell – Office of Attorney General – [mlovell@ncdoj.gov](mailto:mlovell@ncdoj.gov)
- Denise Jones – State Library of NC – [denise.jones@ncdcr.gov](mailto:denise.jones@ncdcr.gov)
- Ms. Logan Rains, Publications – Department of Secretary of State – [pubs@sosnc.gov](mailto:pubs@sosnc.gov)
- Virginia Barlow – Joint Legislative Administrative Procedure Oversight Committee – [virginia.barlow@ncleg.gov](mailto:virginia.barlow@ncleg.gov)
- Joan Saucier – Office of State Controller – [Joan.Saucier@ncosc.gov](mailto:Joan.Saucier@ncosc.gov)
- Sravani Bhimavarapu – Office of State Controller - [Sravani.Bhimavarapu@ncosc.gov](mailto:Sravani.Bhimavarapu@ncosc.gov)
- Office of State Auditor – [osa.reportsubmission@ncauditor.gov](mailto:osa.reportsubmission@ncauditor.gov)
- Mary Grace Corr - Office of State Budget and Management – [marygrace.corr@osbm.nc.gov](mailto:marygrace.corr@osbm.nc.gov)
- Loretta Peace Bunch – Office of State Budget and Management – [loretta.peace.bunch@osbm.nc.gov](mailto:loretta.peace.bunch@osbm.nc.gov)

Bound copies of the Board's audited 2024 financial report were also sent to:

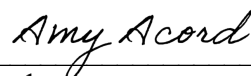
State Publications Clearinghouse Liaison  
Attn.: Denise Jones  
Government & Heritage Library  
State Library of North Carolina  
4640 Mail Service Center  
Raleigh, NC 27699-4600

Respectfully submitted:



Thomas T. Hilderbrand  
Board President

Date: April 30, 2025



Amy Acord  
Interim Executive Director

Date: April 30, 2025