

# Greenbook

## LBO Analysis of Enacted Budget

### State Board of Embalmers and Funeral Directors

Jared Cape, Budget Analyst  
July 2023

#### TABLE OF CONTENTS

Quick look.....	1
Agency overview .....	1
Analysis of FY 2024-FY 2025 budget .....	2
Preneed funeral contracts .....	2
Indigent Burial and Cremation Support Program .....	2
Crematory operator licenses .....	2
Investigating and prosecuting unlicensed funeral directing .....	2
Operating revenues and expenses .....	2

# LBO Greenbook

## State Board of Embalmers and Funeral Directors

---

### Quick look...

- The State Board of Embalmers and Funeral Directors licenses and oversees funeral homes, crematories, funeral directors, and embalmers and monitors the sale of preneed funeral contracts.
- The Board’s governing body consists of seven members: four licensed embalmers and practicing funeral directors, one licensed practicing funeral director, and two members representing the public. Day-to-day operations are handled by an executive director and eight full-time staff.
- The Board’s operations are primarily supported by license fees and related revenue. It also receives GRF funding to oversee the Indigent Burial and Cremation Program.
- The budget appropriates funding of just under \$1.5 million in each of FY 2024 and FY 2025.

Fund Group	FY 2022 Actual	FY 2023 Actual	FY 2024 Appropriation	FY 2025 Appropriation
General Revenue	\$674,339	\$439,751	\$0	\$0
Dedicated Purpose	\$1,124,224	\$1,129,035	\$1,444,500	\$1,446,764
Total	\$1,798,563	\$1,568,785	\$1,444,500	\$1,446,764
% change	--	-12.8%	-7.9%	0.2%
<i>GRF % change</i>	--	-34.79%	-100.0%	0.0%

### Agency overview

The State Board of Embalmers and Funeral Directors (FUN) regulates those involved with the death care industry across Ohio, including embalmers, funeral directors, funeral homes, and operators of crematory and embalming facilities. The seven-member Board meets regularly to review applications, issue licenses, review continuing education programs, and keep up to date on issues affecting the funeral business. The Board also monitors preneed funeral contracts and administers the Preneed Recovery Fund to compensate purchasers for losses they might have incurred due to fraud or business insolvency after buying a contract from a provider licensed by the Board. FUN also conducts disciplinary hearings stemming from complaints and investigations. Day-to-day operations are overseen by an executive director and eight other full-time staff, including three inspectors, one administrative officer, one administrative professional, one program administrator, one preneed compliance administrator, and one certification-licensure examiner.

## **Analysis of FY 2024-FY 2025 budget**

The budget appropriates funding of just under \$1.5 million in each of FY 2024 and FY 2025 for Board operations, mostly for payroll. The funding is supported entirely by license fees and other assessments that are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90) and appropriated under Fund 4K90 line item 881609, Operating Expenses. Below is a description of provisions in H.B. 33 that affect the Board.

### **Preneed funeral contracts**

FUN oversees the sale of preneed funeral contracts and reimbursements from the Preneed Recovery Fund, a custodial account. The budget earmarks up to \$92,000 in operating funds each fiscal year for an Automated Reporting and Preneed Payment Systems (ARPPS) Administrator to handle these responsibilities.

### **Indigent Burial and Cremation Support Program**

Since FY 2020, FUN has provided a subsidy under the Indigent Burial and Cremation Support Program to help local government entities offset the costs they incur for cremating or burying indigent people who have died. The budget zeroes out the GRF subsidy for this purpose. However, the budget does earmark \$80,000 in funding each fiscal year for an Indigent Burial and Cremation Support Program Administrator under Fund 4K90 line item 881609, Operating Expenses.

### **Crematory operator licenses**

H.B. 49 of the 132<sup>nd</sup> General Assembly established a new crematory operator license. H.B. 509 of the 134<sup>th</sup> General Assembly eliminates the crematory operator permit by December 31, 2024. The budget reestablishes the crematory operator permit requirement, nullifying this provision of H.B. 509 and thereby assuring continued revenue from this source.

### **Investigating and prosecuting unlicensed funeral directing**

The budget requires the Executive Director to notify law enforcement if they are aware of a person engaged in funeral directing without a license, in contrast to current law, enacted under S.B. 224 of the 134<sup>th</sup> General Assembly and scheduled to take effect December 31, 2024, which requires the Executive Director to investigate the alleged violation and, upon finding probable cause, direct an attorney under contract with the Board, a county prosecutor, or the Attorney General to prosecute the offender.

### **Operating revenues and expenses**

The Board is entirely supported by license fees and other receipts that are deposited into Fund 4K90. The table on the following page shows the license types that the Board oversees and the associated fee. In FY 2023, the Board oversaw just over 6,500 active licenses.

License Fees by Type	
License Type	Fee
Crematory	\$400
Crematory Operator	\$150
Embalmer Apprentice	\$35
Embalmer	\$200
Embalming Facility	\$400
Funeral Director Apprentice	\$35
Funeral Director	\$200
Funeral Home	\$400
Courtesy Card Permit	\$200