

# North Carolina Board of Funeral Service

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[www.ncbfs.org](http://www.ncbfs.org)

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The next meeting of the Board will be 9 a.m. Wednesday, May 11, 2011 at the Board offices, 1033 Wade Avenue, Ste. 108, Raleigh, NC 27605. The agenda for the meeting can be viewed by [following this link](#).

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**BOARD ACTIONS-** Actions and Results from the April 13 Board meeting:

- A. Approved the recommendation of the Disciplinary committee regarding improper sales tax computations inspectors may find during inspections. A letter will be sent advising licensees of the findings and advising them to correct their sales tax computations.
- B. Approved the recommendations of the Preneed committee #1- to give staff the discretion whether to list firm names on the monthly preneed report when violations are deemed serious. If staff determines a firm name is to be omitted, they will advise the disciplinary committee as to the reason for this action; #2 Due to correspondence from a number of licensees regarding insurance companies' failure to provide year end policy information for policies funding pre-need contracts, staff will draft an open letter to be provided to each preneed establishment for distribution to insurance companies when this issue arises and will also draft a model statement to be submitted by policy owners with the assignment or beneficiary change documents directing the company to release year-end death benefit information to the funeral home that is assignee or beneficiary of the policy proceeds. Both of these would be developed and presented to the Board in time to be mailed with the 2011 preneed annual report templates.
- C. Received a staff report regarding an initiative by State Vital Records to correct mistakes on death certificates. Staff has been informed of this through contact with licensees and State Vital Records staff. Some of these instances involve corrections within the medical certification part of the death certificate for which the funeral director is not responsible.
- D. Adopted a meeting schedule for the remainder of 2011. This can be viewed by following [this link to the "Calendar" page](#) on this website.

## SUPREME COURT RULING ON FUNERAL PROTESTS

In an action brought by the father of a Marine, the US Supreme Court ruled in favor of Westboro Baptist Church, who had protested at the Marine's funeral. The court upheld the First Amendment Rights of the protesters. Licensees should be aware of NC law regarding protests at funerals. Please follow this link to view the law:

[http://www.ncleg.net/EnactedLegislation/Statutes/PDF/BySection/Chapter\\_14/GS\\_14-288.4.pdf](http://www.ncleg.net/EnactedLegislation/Statutes/PDF/BySection/Chapter_14/GS_14-288.4.pdf)

## FTC RED FLAG COMPLIANCE UPDATE

With the passage of US Senate Bill 3987 The Red Flag Program Clarification Act, most funeral homes will not have to comply with the FTC Red Flag Regulations took

effect January 1, 2011. The bill limits the compliance with Red Flag Regulations to businesses that:

- 1) obtains or uses consumer reports, directly or indirectly, in connection with a credit transaction;
- 2) furnishes information to certain consumer reporting agencies in connection with a credit transaction; or
- 3) advances funds to or on behalf of a person, based on the persons obligation to repay the funds.

While the third section appears to apply to cash advances made by funeral homes, the bill specifically exempts funds advanced for expenses that are secondary to a service the business provides. Funeral homes will have to comply with Red Flag Regulations if they use credit reports when arranging financing with consumers or send information to credit reporting agencies

### DISCIPLINARY MATTERS

CASE FILE NUMBERS: V09-055; V10-051; M10-006; M11-005.

LICENSEES: Rosadale Funeral Parlor (FE #744) Charlotte; Regional Pruitt (FSL # 1194); Ezzard Parker (FS #1575).

SUMMARY: The Board received several complaints that an unlicensed owner was practicing without a license. Second, the funeral home used the TSA registration of another firm to ship several cases to another country. Third, the funeral home also used unregistered names and failed to have several Statements of Goods and Services Selected signed by a licensee. Finally, the funeral home opened a facility without receiving a certificate from the Board. Although intended to be used as a chapel, their use of the facility required a funeral establishment permit. An unlicensed person also made arrangements at the new facility.

BOARD ACTION: The Board adopted the consent order placing the funeral home on probation for five (5) years. The unlicensed people were ordered to dissociate from the firm, and the unlicensed owner would be ineligible to serve a traineeship for a minimum of one (1) year. The most recent firm manager was placed on probation for three years and had his funeral director license suspended for 90 days. The previous firm manager was placed on probation for five (5) years. Civil penalties totaling \$5,500.00 were assessed to the parties.

EFFECTIVE DATE: April 13, 2011.

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### IN SYMPATHY:

Donald Morris Carter, of Summersett Funeral Home, Salisbury, who died May 2, 2011.

**THE BOARD OFFICES WILL BE CLOSED ON MONDAY, MAY 30, 2011 IN OBSERVANCE OF MEMORIAL DAY.**