

Minutes of Meeting
Board of Funeral, Cemetery and Consumer Services
January 7, 2009 - 10:00 A.M. to 5:00 P.M.
Department of Financial Services
2020 Capital Circle SE, Alexander Bldg #230
Tallahassee, FL 32301

I. Call to Order and Roll Call

Mr. Greg Brudnicki, The Chair, called the meeting to order at 10:00 am.

Mr. Doug Shropshire, Executive Director, requested to make the usual prefatory comments for the record and then take the role.

As a preliminary matter, let me state for the record that my name is Doug Shropshire. I am Director of the Division of Funeral, Cemetery, and Consumer Services. This is a meeting of the Board of Funeral, Cemetery, and Consumer Services. Today is January 7, 2009. The meeting is occurring in the Alexander Building in Tallahassee, FL. Notice of this meeting has been duly published in the FAW. An agenda for this meeting has been made available to interested persons. My Assistant, Ms LaTonya Bryant, is recording these proceedings.

At this time I will take the role and Board members will please respond with "aye" or "present" when I call their name:

PRESENT:

Greg Brudnicki, Chairman
Jody Brandenburg, Vice-Chairman
Justin Baxley
Powell Helm
Nancy Hubbell
Tracy Huggins
Ken Jones

ALSO PRESENT:

Doug Shropshire, Executive Director
Anthony Miller, Assistant Director
Allison Dudley, Board Counsel
Mary K Surles, Department Counsel
Thomas "Tad" David, Department Counsel
James Gellepis, Department Staff
LaTonya Bryant, Department Staff
Karen Duehring, Department Staff

ABSENT:

Gail Thomas-DeWitt
Catherine Zippay

Mr. Chair, we have a quorum for the business before the Board.

II. Action on the Minutes

A. December 3, 2008

The Chair confirmed that all Board members had read the draft of the minutes of the previous Board meeting held on December 3rd.

Mr. Ken Jones proposed the following revision to the Chairman's Report:

"...If it goes through, in the summer of 2009, a pilot will be started with the Electronic Death System in Duval County and look ~~out~~ at rolling out from there..."

MOTION: Mr. Jones moved to adopt the minutes of the meeting with the recommended revision. Mr. Justin Baxley seconded the motion, which passed unanimously.

III. Old Business

A. Application(s) for Preneed License

1. Recommended for Denial

a. Marvin C. Zanders Funeral Home, Inc. (Apopka)

The applicant does have a disciplinary record and a criminal history record. The Division recommends denial of this application based on the Division's belief that the criminal and disciplinary record demonstrates a history of lack of trustworthiness or integrity in business or professional matters.

Mr. Marvin Zanders stated that he submitted documentation to the Division a felt as though everything had been completed. Mr. Zanders added that he had no knowledge of the felony charge for embezzlement. The applicant advises that the funds were there when the Department had Mr. Zanders to transfer the funds from his trust fund into the Independent trust fund. In regard to the bad check, the preneed agent wrote the check prior to the application being approved. Mr. Zanders states he had asked the agent not to do this. During this time, the applicant changed banks, so when the Department received the check, the money was there, but the check was from the old account. Immediately upon receipt of a letter from the Department, Mr. Zanders remitted a cashier's check. Mr. Zanders advises that he has fulfilled all of his obligations, i.e. served probation, paid fine. Mr. Zanders added it appears this Board is trying to close him down and deny him a preneed license, as he feels he has done nothing wrong and no family has ever called to report him to the Board.

Ms. Tracy Huggins questioned the last disciplinary incident involving the body in the garage.

Mr. Zanders stated that the body was not in the garage. There is a prep room next to the garage. The applicant had an indigent case from Osceola County, but could not bury the body prior to approval from them. The body was embalmed. The morgue is small, so the body was removed from the prep room. The removal service came in to do a removal. He went into the garage to get the cart and there was a body. Mr. Zanders states he could not understand why this person took pictures of the morgue, funeral home and body and then reported it. Periodically, the body was kept in the prep room until the establishment got busy. The Board was advised that bodies were being stored in the garage. When the Examiner came out, the body was inside the funeral home in a casket.

Mr. Powell Helm questioned whether the applicant has sold any preneed.

Mr. Zanders stated that he has not sold any preneed since his license was not renewed in 2006, simply because it was received a day late.

Mr. Helm questioned whether the reported net worth of \$809,000 includes any preneed contracts.

Mr. Zanders answered no. Those are funeral sales.

MOTION: Mr. Jody Brandenburg moved to deny the application based on the criminal and disciplinary record. Ms. Huggins seconded the motion, which passed unanimously.

B. Monument Retail Sales Agreement

1. South Georgia Monument, LLC (Waycross, GA)

This monument establishment retail sales contract was deferred at the October 1, 2008 Board Meeting and is being presented to the Board to be re-considered for approval. Applicant provided the following response to clarify the Board's questions regarding the following:

(A) Does the separate line that contains the phrase, "Lower vault" on page 2 of the agreement suggest that a disinterment is to be performed and that a vault is being installed?

- Licensee answered in the affirmative, that it could refer to a disinterment being performed and installation of a vault.

(B) If a disinterment is performed, is a licensed Funeral Director present to oversee the disinterment?

- Licensee confirmed that a licensed Funeral Director would be present to oversee any disinterment(s) to be performed.

(C) As noted in the minutes, the following question was also asked: Will the company be engaged in the sale of vaults in Florida?

- Licensee provided an additional written response to the Division advising that the company is primarily involved in the sale of monuments and will not be engaged in the sale of vaults in Florida.

Staff recommends approval of the agreement.

Mr. Helm stated that "within 90 days" should be removed from the latest date of installation.

MOTION: Mr. Helm moved to approve the application(s) subject to removing "within 90 days" from the contract. Mr. Jones seconded the motion, which passed unanimously.

IV. Application(s) for Preneed Sales Agent

A. Informational Item - See Addendum A

The application(s) presented are clean and have been approved by the Division. This item is informational only and does not require Board action.

Mr. Brandenburg disclosed his affiliation with SCI Funeral Services of Florida, Inc.

Ms. Huggins disclosed her affiliation with The Simplicity Plan.

The Chair disclosed his affiliation with CFS Funeral Services, Inc.

B. Recommended for Approval (Criminal History)

1. McCoy, David B (Appointing Entity: SCI Funeral Services of Florida)

On the application received by the Department on October 8, 2008, the applicant answered "No" to Applicant Background Questions. Upon the review of the applicant fingerprint results the department discovered the applicant had a criminal history. Mr. McCoy was asked to provide an explanation for the inaccuracy on his application.

Mr. McCoy's explanation "When I filled out my application out for employment. I was unaware of a driving offense as being criminal activity. I would not have left it off the application if it was asked as a driving offense. It definitely wasn't my intension to hide anything as small as a driving offense and to answer a question wrong on the application".

The criminal history includes one (1) offense relating to one incident in 2004, misdemeanor reckless driving which occurred in Indiana. Mr. McCoy was required to disclose this offense on his application. Upon request Mr. McCoy submitted all supporting documentation.

The Department assessment is that the inaccuracy does not indicate that Mr. McCoy is untrustworthy. It is the Division's belief that if issued a preneed sales agent license, Mr. McCoy would not pose an unreasonable risk to members of the public who might deal with her in preneed transactions. See Florida Statutes, section 497.466(5)(c).

The Division recommends approval of the application(s).

MOTION: Mr. Helm moved to approve the application. Ms. Nancy Hubbell seconded the motion, which passed unanimously.

C. Recommended for Approval with 1 yr Probation

1. Farrar, Tanya O (Appointing Entity: SCI Funeral Services of Florida)

On November 3, 2008, the Department received an application from Ms. Farrar. Ms. Farrar answered "No" to Applicant Background Questions, "Has the PSA applicant ever been convicted or entered a plea in the nature of no contest." Ms. Farrar was not prosecuted for the October 24, 2008 incident until November 20, 2008. For that reason, Ms. Farrar was not required to disclose her criminal history. The criminal history includes one (1) offense relating to one incident of misdemeanor DUI in 2008, which occurred in Stuart, Florida. Ms. Farrar disclosed all required information. The Department assessment is that if issued a preneed sales agent license, Ms. Farrar would not pose an unreasonable risk to members of the public who might deal with her in preneed transactions.

The Division recommends approval of the application(s) with the following conditions:

a) Applicant shall be issued the license applied for, but Applicant shall be on probation until Applicant provides the FCCS Division with a signed writing or official record from the court or probation officer in the criminal case, verifying that the probation has been successfully completed.

b) Provided, Applicant shall provide such written evidence of successful probation completion to the FCCS Division by not later than 210 days after the date of the Board meeting where the application is approved; if such written evidence is not received by FCCS Division within the said number of days, then at the expiration of the said number of days the license issued shall be suspended until receipt of the required evidence that the probation is successfully completed.

c) And provided further, if at any time the FCCS Division is advised by the court or probation officer that the applicant is in violation of any of the terms of the probation, the Division shall suspend the license and commence action to revoke the license granted hereunder.

Ms. Allison Dudley questioned whether the recommendation is based upon a concern that the applicant could be impaired or her ability to practice could be limited because of her DUI.

Mr. Shropshire responded yes.

MOTION: Mr. Huggins moved to approve the application with the noted conditions. Mr. Baxley seconded the motion, which passed unanimously.

V. Application(s) for Preneed License

A. Recommended for Approval

1. DeGusipe Funeral Home, LLC d/b/a DeGusipe Funeral Home & Crematory (Maitland)

The Department received the application on December 10, 2008 and all deficiencies were resolved by December 19, 2008. A new funeral establishment license was issued on December 4, 2008 and a completed background check of all officers revealed no criminal history. The Applicant intends to sell only insurance-funded preneed contracts through National Guardian Life Insurance Company using their pre-authorized Guaranteed Pre-Funded Funeral Agreement.

The Applicant's financial statements as of December 19, 2008 reflect the following:

Preneed Contracts	= \$	0
Required Net Worth	= \$	10,000
Reported Net Worth	= \$	111,208

Ms. Huggins disclosed that she was a former supervisor of the applicant.

Ms. Dudley questioned whether this would affect her ability to remain fair and impartial in making a determination on this application.

Ms. Huggins responded no.

Mr. Brandenburg questioned whether it had been determined that the applicant would not use the word crematory in the name of the firm.

Ms. Lisa Lyons stated that the Board gave the applicant 90 days to settle the crematory or remove the word from the name.

MOTION: Mr. Baxley moved to approve the application. Ms. Hubbell seconded the motion, which passed unanimously.

2. Eden Funeral Services, LLC (Coconut Creek)

The Department received the application on December 5, 2008 and no deficiencies were noted on the application. A new funeral establishment license was issued on November 6, 2008 and a completed background check of all officers revealed no criminal history. Applicant will use the pre-approved

Funeral Services, Inc. (FSI) First Florida Trust Agreement (SouthTrust Estate & Trust Co.) and pre-arranged funeral agreement.

The Applicant's financial statements as of November 30, 2008 reflect the following:

Preneed Contracts	= \$	0
Required Net Worth	= \$	10,000
Reported Net Worth	= \$	22,909

MOTION: Mr. Jones moved to approve the application. Ms. Hubbell seconded the motion, which passed unanimously.

VI. Application(s) for Preneed License Branch
A. Recommended for Approval - See Addendum B

The Division recommends approval of the application(s).

MOTION: Mr. Baxley moved to approve the application(s). Mr. Helm seconded the motion, which passed unanimously.

VII. Application(s) for Florida Laws and Rules Examination
A. Recommended for Approval - Addendum C

- 1. Funeral Director and Embalmer - by Internship*
 - a. Bick, Sarah*
 - b. Bobrow, Paul M*
 - c. Lyn, Laraine A*
 - d. Tolbert, Tammy M*
- 2. Funeral Director and Embalmer- by Endorsement*
 - a. Bacon, Tracey R*
 - b. Golov, Brett J*
- 3. Funeral Director-by Endorsement*
 - a. Beck, Carl D*

The Division recommends approval of the application(s).

MOTION: Mr. Brandenburg moved to approve the application(s). Ms. Huggins seconded the motion, which passed unanimously.

VIII. Application(s) for Internship
A. Recommended for Approval - See Addendum D

- 1. Funeral Director and Embalmer*
 - a. Bonham, Anee C*
 - b. Ellenberg, Tami K*
 - c. Lawson, Mary C*
 - d. Risher, Angela M*
 - e. Thomas, Melody L*

The Division recommends approval of the application(s).

MOTION: Mr. Jones moved to approve the application(s). Ms. Huggins seconded the motion, which passed unanimously.

IX Application(s) for Embalmer Apprentice

- A. *Recommended for Approval – See Addendum E*
 - 1. *Acanda, Daisy M*
 - 2. *Lewis, Samuel C*
 - 3. *Lewis, Trent*

The Division recommends approval of the application(s).

MOTION: Mr. Baxley moved to approve the application(s). Mr. Jones seconded the motion, which passed unanimously.

X. Application(s) for Continuing Education Course Approval

- A. *Recommended for Approval – See Addendum F*
 - 1. *Alexander C Wynn III #45*
 - 2. *Apex Continuing Education Solutions #4201*
 - 3. *Florida Cemetery, Funeral & Cremation Association #5202*
 - 4. *FuneralCE #43*
 - 5. *Matthews Cremation Division #41*
 - 6. *National Funeral Directors Association #136*
 - 7. *Selected Independent Funeral Homes #137*

The Continuing Education Committee and the Division recommends approval of the application(s).

MOTION: Ms. Hubbell moved to approve the application(s). Mr. Baxley seconded the motion, which passed unanimously.

XI. Application(s) for Approval to Become a Continuing Education Provider

- A. *Recommended for Approval – See Addendum G*
 - 1. *End of Life Insights, LLC #7805*

The Continuing Education Committee and the Division recommends approval of the application(s).

MOTION: Mr. Jones moved to approve the application(s). Mr. Brandenburg seconded the motion, which passed unanimously.

XII. Application(s) for Registered Training Facility

- A. *Recommended for Approval – See Addendum H*
 - 1. *Funeral Directing and Embalming*
 - a. *Zion Hill Mortuary Inc (St. Petersburg)*

The Division recommends approval of the application(s).

MOTION: Mr. Jones moved to approve the application(s). Mr. Helm seconded the motion, which passed unanimously.

XIII. Consumer Protection Trust Fund Claims
A. Recommended for Approval - See Addendum I

The Division recommends approval of the claim(s).

MOTION: Mr. Baxley moved to approve the claim(s). Ms. Huggins seconded the motion, which passed unanimously.

XIV. Application(s) for Monument Establishment Sales Agent
A. Informational Item – See Addendum J

These are clean application(s) where there have been no disciplinary or criminal history noted. This addendum is an informational report. No Board action is needed. The Division has issued these licenses as the Statute requires.

XV. Application(s) for Monument Establishment Retailer
A. Recommended for Approval
1. Eddie O. Dyess (II) d/b/a Central Florida Monuments (Haines City)

The application was received on April 29, 2008 and deficiencies were noted. A deficiency letter was sent to applicant on May 22, 2008 and a second deficiency letter was sent September 25, 2008. All deficiencies were resolved by December 18, 2008. The Department completed a background check of all officers which revealed no criminal history.

The Division recommends approval of the application.

Mr. Don Ray stated he wrote a letter on June 1, 2006 to the former Director advising that this applicant was perhaps engaging in unlicensed activity. It has taken since June 1, 2006 to actually bring this applicant before the Board today and to approve this application. A follow-up to the status of this letter was done back in January with the former Director. In February, Mr. Ray states he was informed that a field investigator made a trip to Haines City and met with this individual. It was determined that for a number of years, they had been practicing monument sales without a State license. Mr. Ray expressed disappointment on behalf of the Florida Monument Builders Association, with no reflection on Mr. Shropshire. It is unfair to the members of the Association and the law abiding monument establishment companies who are in compliance with the law, have paid their renewal fees for a number of years and are serving the public. It is unfortunate that it has taken this long to bring this application before the Board. Hopefully, the future will bring more aggressive efforts of enforcement among field investigators to get these issues before the Division.

Mr. Ray stated that South Georgia Monument Company, under Old Business/ Retail Sales Agreement, has been a licensed monument establishment entity for a number of years, but the requirement that all monument establishment companies have an approved retail sales agreement has an effective date of January 1, 2006. The Association made sufficient effort, six months prior to the effective date, in creating eight standard retail sales agreements to be looked at by the Division and mailed a number of them out around the State. The Association tried to get all monument companies in compliance with the law.

Mr. Shropshire stated that on the issue of the sales agreements in general for monument establishments, the Division is sending out letters this week to all of the licensed monument establishments that have not filed their sales agreements, giving them an absolute deadline of February 1 to get their sales agreements

filed with the Department or they will be disciplined. In view of the resource limitations and the fact that the last message to them for filing their sales agreements was done prior to Mr. Shropshire's tenure, it was decided that they would be given one clear, last chance.

Mr. Baxley stated it was brought to the Board's attention that this applicant has been potentially practicing without a license.

Ms. Dudley recommended that the Board rely upon what has been presented as opposed to the statement that was recently made.

MOTION: Ms. Huggins moved to approve the application. Ms. Hubbell seconded the motion, which passed unanimously.

XVI. Monument Retail Sales Agreements:

A. Eddie O. Dyess (II) d/b/a Central Florida Monuments (Haines City)

The Division recommends approval of the agreement.

Mr. Helm questioned whether the copy presented to the Board has been reduced from legal size.

Mr. Shropshire stated that he was not sure.

Mr. Helm stated there are font requirements for the agreement.

MOTION: Mr. Brandenburg moved to approve the agreement pending verification of the font size. Mr. Jones seconded the motion, which passed unanimously.

XVII. Application(s) for Funeral Establishment

A. Recommended for Approval

1. South Brevard Funeral Home, Ammen & Ammen PA d/b/a East Coast Cremation (Rockledge)

The application for a Funeral Establishment was submitted on October 27, 2008. The application was incomplete when submitted and a deficiency letter was sent out to the applicant. All deficient items were returned on December 2, 2008. The Funeral Director in Charge will be Mark Sienkiewicz (F042293). The fingerprint cards for all principals were submitted and returned without criminal history. The establishment passed its inspection on December 2, 2008.

MOTION: Mr. Helm moved to approve the application. Ms. Huggins seconded the motion, which passed unanimously.

XVIII. Application(s) for Removal Facility

A. Recommended for Approval

1. Florida First Call Removal Service LLC (Auburndale)

The application for a Removal Service was submitted on December 3, 2008. The application was complete when submitted and a deficiency letter was not sent to the applicant. The fingerprint cards for all principals were submitted and returned without criminal history. The establishment passed its inspection on December 17, 2008.

MOTION: Ms. Huggins moved to approve the application. Mr. Jones seconded the motion, which passed unanimously.

2. *Reliable Solutions USA LLC (Auburndale)*

The application for a Removal Service was submitted on December 11, 2008. The application was incomplete when submitted and a deficiency letter was sent to the applicant. All deficient items were returned on December 17, 2008. The fingerprint cards for all principals were submitted and returned without criminal history. The establishment passed its inspection on December 22, 2008.

MOTION: Mr. Jones moved to approve the application. Ms. Hubbell seconded the motion, which passed unanimously.

XIX. Application(s) for Direct Disposal Establishment

A. *Recommended for Approval*

1. *Popular Cremation Society Inc d/b/a Popular Cremations (Wellington)*

The application for a Direct Disposal Establishment was submitted on November 12, 2008. The application was incomplete when submitted and a deficiency letter was sent to the applicant. All deficient items were returned on December 2, 2008. The fingerprint cards for all principals were submitted and returned without criminal history. The establishment passed its inspection on November 25, 2008.

MOTION: Ms. Huggins moved to approve the application. Mr. Brandenburg seconded the motion, which passed unanimously.

XX. Trust Transfer Request(s)

A. *Mount Pleasant Cemetery Association (Chattahoochee)*

1. *Capital City Trust Company and Focus Credit Union to Funeral Service, Inc. (FSI) Master Care and Maintenance Trust*

The Mount Pleasant Cemetery Association requests transfer of cemetery care and maintenance funds held in accordance with Chapter 497.266 by Capital City Trust Company and Focus Credit Union to the FSI Master Care and Maintenance Trust (BB&T). Staff recommends approval of the above referenced request contingent upon certification of the transfers being received by the Department within 60 days of the Board meeting date.

MOTION: Mr. Baxley moved to approve the request contingent upon certification of the transfers being received by the Department within 60 days. Mr. Helm seconded the motion, which passed unanimously.

XXI. Report of Board Finance Committee Chair and Division Director Regarding Recommended Fee Increases

Mr. Shropshire stated that by his memo to the Board dated September 8, 2008, I reported to the Board concerning estimated costs for implementation of Ch. 497, and related issues regarding fee revenue and trust fund balances. I advised in that memo that in my opinion fees need to be significantly increased.

The Board referred the matter to its Finance Committee (Les Klein, Chair, and Nancy Hubbell and John Williams, members).

As I pointed out in my September 8, 2008 memo, Ch. 497 provides in pertinent part as follows at s. 497.140, concerning budget and related fee matters:

(1)(a) As to any fee payable under this chapter as to which discretion is provided to the licensing authority to specify the amount of the fee subject to a cap stated in this chapter, the Board shall from time to time as requested by the Department determine by rule the amount of such fee, based upon department-prepared estimates of the revenue required to implement all provisions of this chapter.

(b) It is the legislative intent that the costs of regulation under this chapter be provided for by fees collected under this chapter. The Board shall ensure that fees are adequate to cover all anticipated costs of implementation of this chapter. The Department shall at least every other year provide the board with estimates as to projected costs in implementing this chapter and projected fee collections under this chapter for the following 2 years, information as to balances of regulatory trusts from fees collected, other information that the department deems material to the setting of fees by the board at proper levels, and a department recommendation as to action, if any, regarding changing fee levels. The Board shall review such information provided by the department and increase or decrease fees as the Board determines appropriate. If sufficient action is not taken by the Board within 6 months after notification by the department that fees are projected to be inadequate, the Department shall set fees on behalf of the Board to cover anticipated costs.

Your Finance Committee has met multiple times, in public meetings, concerning the budget and fee increase issues raised in my September 8, 2008 memo.

At its December 22, 2008 meeting, your Finance Committee voted unanimously to recommend to the Board that the Board adopt one of the two fee increase Options set forth on page 3 of this memo.

I concur and join in the Finance Committee's recommendation to the Board.

Your Finance Committee Chair, Les Klein, will make a presentation, concerning the Division's budget and related fee increase recommendations.

Assuming that the Board does approve some fee increases at this Board meeting, Mr. Shropshire will follow up at that point with some proposed rule amendments and regulatory cost statements for the Board's consideration and recommended approval.

Mr. Les Klein stated that the Finance Committee has been meeting for the past two months discussing fees and the cost allocation that the Division received from the Department. Mr. Mike Alexander spoke to the Board in October 2008. As you are aware, the allocation has increased significantly. At the meeting, Mr. Alexander indicated that the allocation went from \$130k per year to \$600k per year. Subsequently to that meeting, the allocation went from \$600k to \$850k, based upon the fact that historical data came into play. Mr. Alexander agreed that the \$600k would stay for the year 09/10 and then every year thereafter it would go up. Again, this is an estimated number. The allocation method is not based upon review, but is based upon service provided. Full time employees are being used as a basis for allocating cost. The Committee looked at the allocation and questioned the fairness and justification. This Division earns .6% of the total revenue and is being allocated 1.6% of the expense. This discussion was made with Mr. Alexander and the Deputy CFO, Tammy Teston. Almost 50% of this allocation is for IT costs. Given the poor performance of the online licensing system and the alleged time spent by the

programmers, many justifications were set forth to reduce this amount. Also, there is a lack of supporting documentation. The IT Department never maintained timesheets, therefore there are no timesheets allocated to this Division. However, when they went back, they submitted questionnaires. In short, the Committee did everything possible to reduce the allocation method but there has been no success. The Committee is still in contact with the Department in hopes of developing a hybrid allocation method. This will take some time and there is no evident that this would have a material impact on the allocation numbers. Mr. Alexander has indicated that these allocations could go down, but on numerous occasions he has indicated that they could go up. It depends upon what data comes across his desk. The Division received a cost allocation figure from the Department based upon the first quarter. It turned out to be \$166k or \$700k annually. As you can see, Mr. Alexander's methodology should be considered as a safety measure. It is obvious that the allocation card is being pulled by the State budget deficit, which we have no control over. For this reason, we look to increase fees. The three criteria used to determine the increases: 1) does not require statutory change; 2) fees that have not reached the maximum; and 3) fees that would have the most significant impact to help reach the budget figure. The Committee came up with five fee increases: preneed quarterly regulatory remittances going from \$4 to \$6 or \$7; preneed sales agent licenses going from \$150 to \$250; establishment fees going from \$300 to \$450; other licenses going from \$250 to \$375; and inspection fees going from \$100 to \$225.

The Division started out with \$1.4 million in cash as of the beginning of the year. If Option 1 is used at the end of the 5th year, we would be sitting with \$828k, a \$600k decrease. With Option 2 going from \$4 to \$7, we would be sitting with \$1.2 million. Because the increase the Board would approve would take require some rulemaking and take some time, we do not anticipate seeing the effects until later on this year. Therefore we are recommending that the fee increases be approved at this meeting. During our meetings, we had the idea of charging a \$5 regulatory charge on at-need contracts. If this is done, this would be sufficient to cover the allocation. The Coalition met with the CFO yesterday and discussed this issue. The CFO would favor a Bill of this sort, however, this would take time. The Committee recommends increasing the fees according and if something like this comes along, the fees could be reduced in the future. If determined that the cost allocation is less than the amount allocated, the Committee could make a recommendation to the Board to have the fees reduced. The Department would review these on a quarterly basis.

The Division has to be operated as a business, as everything that is done from this point on has allocation issues. The Division is understaffed. The Committee discussed increasing the FTEs from 25 to 29 or 32 to help with this. However, based upon the allocation, we are pushing this back for now and concentrating on balancing the budget. We are told for every FTE hired there is a \$25,000 addition to the allocation on top of the salary.

Mr. Helm questioned whether there is an alternative for IT needs.

Mr. Klein stated that in the future the Division will request estimates first. The Committee discussed the use of timesheets with Mr. Alexander, who confirmed these would be used in the future.

Ms. Huggins questioned whether the Division could go outside of the Department for IT assistance.

Mr. Klein stated that he was unsure.

Mr. Shropshire stated that the Department and the Division can hire outside vendors, but are required to go through the State procurement process. The 2 vendors that had been working on the process have basically been so expensive that we are decreasing our use of them.

Mr. Jones questioned whether the IT Department is looking at a cost allocation system as timesheets is not the answer.

Mr. Shropshire stated that Mr. Alexander provided the Committee with reams of material. For the initial estimate, IT provided him with their best estimate of how much time they spent on this Division's work. In the future, we are advised that they will be specifically submitting timesheets that track how many hours worked for each project.

Mr. Jones questioned whether they would be tracking our specific applications.

Mr. Klein answered yes. The Division would also receive an overhead charge.

The Chair questioned whether the Division received an estimate upfront on the cost of the current system and whether the job was performed by an outside vendor.

Mr. Klein stated there were two vendors working along with the IT Department.

Mr. Shropshire stated that back in the 2005 timeframe when the Division was working on the consolidation legislation to bring the 470 licensees over here and to consolidate them with the cemetery and preneed licensees, the decision was made within the Department to utilize the computer system that was being developed for the Agent and Agency Division within the Department because the theory was licenses are licenses and the idea was to piggyback on the Agent and Agency Division, which has a big revenue stream. About halfway into the project the Agent and Agency Division got very dissatisfied with the vendor, who was ultimately terminated partway through the job. Shortly after that, the decision was made within the Department that it was not going to work having this Division piggyback literally on the Agent and Agency computer system because changes that we needed conflicted with changes they wanted. The decision was made to make an entire copy of the Agent and Agency software and give it to this Division. This was inherited halfway developed and a new vendor was hired. All kinds of extra costs were incurred. The biggest problem is the system is grossly disproportional to what we need, but we are heavily invested in it.

The Chair stated that the budget is based on a history of something that we have paid for at least twice that still does not work right, so the budget that they are creating for us in the future is based on history of something that we have overpaid for, so that should really be adjusted.

Mr. Shropshire agreed. The admin surcharge that has been estimated at \$850k potentially for 10/11 was not quite a worst case estimate. Actually, the most recent number appears to be coming down and is in the range of \$600-\$625k.

Mr. Klein stated that the first quarter indicates it is around \$625k, but Mr. Alexander indicated that some costs could come in the latter part of the year. We were told that this would be analyzed on a quarterly basis and his allocation would be adjusted based on what has incurred compared to what he has budgeted for. We are looking at the worst case scenario.

Mr. Jones questioned whether any other Division's are choosing to go with their own system and this Division absorbing additional costs.

Mr. Shropshire stated that the system used to track the preneed quarterly remittances, called the DLS system, is currently the main system used by the Office of Financial Regulation to track all of their

licensees. They have developed a new system and are in the process of migrating off of that mainframe system and are going to terminate their use of it in June of this year. The Division has also decided to terminate our use of it so that we are not left holding the bag. We are working to develop an access database to try and pick up that load.

Mr. Bill Williams stated that there are several pieces of legislation out there that may impact this should that legislation pass in this upcoming session. One piece addresses the Division sweeping the Consumer Protection Trust Fund for any amounts over \$5 million. That amount today would be a little over \$2.5 million. We agree with Mr. Klein's presentation that we do need to make some kind of decision today based on Option 1 or Option 2. Assuming this legislation passes, this should be revisited in the hopes of lowering some of these fees. There is also another piece of legislation that the CFO's Office appears to be behind and that is the possibility of charging \$5 on an at-need contract. If that were to happen, it would provide a tremendous amount of revenue for the Division, and again another reason to come back and look at this to determine whether the fees could be reduced if increased today. Mr. William recommended that the Board select Option 1.

The Chair questioned whether the \$5 would only be charged on cemetery at-need contracts or all contracts.

Mr. Williams stated that right now this is nothing more than a concept. When this concept was presented to the Coalition, everyone agreed they wanted to participate in this. This would encompass all contracts. If we go that route, it would take a lot of rewriting or new legislation to do so. There would also have to be a new system designed for the Division.

Mr. Brandenburg stated that the only difference in Option 1 and Option 2 is the \$1 fee.

Mr. Klein stated that is the only difference.

The Chair stated that in October, he questioned Mr. Alexander on the full time equivalent, as he had the Board included. Mr. Alexander was supposed to go back and adjust this, as the Board members were included in the 25.

Mr. Klein stated that the 25 FTEs did not include the Board members.

Mr. Brandenburg stated that he opposed charging \$5 per at-need contract.

Mr. Klein stated that there are issues regarding the sweeping of the Consumer Protection Trust Fund.

The Chair questioned what percentage of the allocation was IT related.

Mr. Klein stated that 50% was IT related. Of the \$850k, \$412k was IT related.

Ms. Corinne Olvey stated that one piece of legislation is said to double all of the cemetery licensing fees, which would double the highest fee. That would significantly increase some of the revenue. Ms. Olvey questioned whether it would be a good idea to wait and see what happens with the legislation before anything is done. Some of the fee increases are very hefty and are disproportionate to preneed and funerals. On the establishment license, the \$450, 2 inspection fees have to be added in, so that would raise the funeral establishment fees to \$900 every two years. Ms. Olvey questioned whether this would have to be work-shopped. If the Board proposes a rule, the rule would have to be work-shopped.

Mr. Shropshire recommended that the Board approve Option 1 or Option 2 today. The Division would then present proposed rules to the Board today for approval. The approval would then authorize the Division working with the Attorney General's Office to begin the formal rule adoption process.

Ms. Olvey questioned whether there would be workshops after that process for public comment.

Mr. Shropshire responded yes. On the issue of the proposed increases, the legislation addressing cemetery and preneed licensees, the legislative proposals do not increase the fees. They make the fees adjustable by the Board within an interval and they raise the current caps, but the Board would have to come back and actually increase those fees, if that legislation passed. So the decision has been made with the uncertainties of the legislative process that we cannot depend upon. On the issue of waiting for the fees, the Division can not afford to wait and would be in serious financial jeopardy if nothing is done by August or November for the next funeral director renewal cycle. Funeral establishments will not renew again until 2010, so there will be plenty of time to look at the inspection fees and additional financial data. Perhaps the Board would determine that the fees do not have to be that high for the next renewal of the funeral establishments.

Ms. Hubbell questioned when does the 6 months begins, as referenced in Mr. Shropshire's memo to the Board: "...If sufficient action is not taken by the Board within 6 months after notification by the department that fees are projected to be inadequate, the Department shall set fees on behalf of the Board to cover anticipated costs."

Mr. Shropshire stated that would be the September 8, 2008 memo to the Board.

Mr. Helm questioned whether a surplus of money that was left over would stay within the Division.

Mr. Shropshire stated that the surplus would go into the Regulatory Trust Fund to fund the operations of the Division.

The Chair questioned whether the Division could access the Consumer Protection Trust fund on an emergency basis.

Mr. Shropshire stated at this point that would not be an option. The legislation that the Division has proposed would allow us to first of all sweep anything over \$5 million into the Regulatory Operating Fund to use for operating expenses, and the legislation would also allow the Division to borrow against it and the Board would have to impose fee increases to pay it back.

Ms. Hubbell questioned whether in a previous meeting the Board approved the increase from \$4 to \$6, but it was never acted upon.

Mr. Shropshire answered yes. It was approved, roughly the summer of 2007, on the representation by the former Director that it would allow the hiring of additional staff. Subsequent to that, it developed a concern that it would result in increased revenue and the Legislature would possibly sweep it. Once Mr. Shropshire began his tenure, it was determined that there were some computational errors in the former Director's numbers that prevented the hiring of additional staff.

MOTION: Mr. Jones moved to approve Option 1. Ms. Huggins seconded the motion, which passed unanimously.

Mr. Klein stated if it pleases the Board, the Finance Committee would continue to look into this every six months or whenever data is available from Mr. Alexander's office.

The Chair agreed and thanked the Committee for all of its work.

Mr. Shropshire distributed 2 packages including a set of proposed rule amendments to implement the recommended fee increases and a set of statements of estimated regulatory costs that are required by statute. Mr. Shropshire requested a brief break to allow the Board members time to review the materials and come back on the record to advise the Department and the Legal Advisor whether the Board would approve those actions.

BREAK

*Quarterly preneed Remittance to Regulatory Trust Fund
69K-5.0024 Remittances to the Regulatory Trust Fund.*

[Section (1) unchanged]

(2) Beginning with contracts written July 1, ~~2009~~1997, each preneed licensee shall remit to the Regulatory Trust Fund of the Department of Financial Services a fee of ~~\$6.00~~4.00 for each preneed contract written; regardless of any payments made by the purchaser.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.453(1) FS. Law Implemented 497.453(6), (9) FS. History—New 5-13-97, Amended 12-12-00, Formerly 3F-5.0024.

MOTION: Mr. Jones moved to approve the changes to the rule. Mr. Baxley seconded the motion, which passed unanimously.

The proposed change will increase the amount of the preneed quarterly remittance paid by preneed licensees, from its current level of \$4 per preneed contract sold, to \$6 per preneed contract sold.

The fee increase is the first increase since approximately 1997.

MOTION: Mr. Brandenburg moved to approve the estimated regulatory costs. Mr. Helm seconded the motion, which passed unanimously.

*Funeral Establishment
69K-21.004 Fees.*

- (1) The application fee for a funeral establishment shall be ~~\$300~~250 and will include licensure for the remainder of the biennium during which license application is granted.
- (2) The biennial renewal fee for funeral establishments shall be ~~\$450~~300.
- (3) Each funeral establishment shall pay an annual inspection fee of ~~\$225~~100 payable upon application and upon each biennial renewal.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.140, 497.380 FS. Law Implemented 497.140, 497.146, 497.365(7), 497.380 FS. History—New 2-13-80, Formerly 21J-21.04, Amended 3-29-90, 12-18-90, Formerly 21J-21.004, Amended 3-30-94, 5-1-96, 9-17-97, 10-29-97, 2-16-98, 11-17-99, 12-28-00, Formerly 61G8-21.004.

Ms. Hubbell questioned the recommended amount of the application fee.

Mr. Shropshire stated that the statute caps that fee at \$300.

MOTION: Mr. Helm moved to approve the changes to the rule. Ms. Huggins seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by funeral homes by \$100 per year for the initial two-year funeral home license; and by \$75 per year to renew existing licenses. Those fee increases will be the first increases of those fees since approximately 1998.

The rule amendment would also increase the annual inspection fee paid by funeral homes by \$125 per year. That fee increase will be the first increase of the inspection fee since approximately 1997.

MOTION: Ms. Huggins moved to approve the estimated regulatory costs. Ms. Hubbell seconded the motion, which passed unanimously.

Cinerator facilities

69K-22.003 Fees.

- (1) The application fee for a cinerator facility shall be \$~~450~~³⁰⁰.00 and will include licensure for the remainder of the biennium during which license application is granted.
- (2) The biennial renewal fee for cinerator facilities shall be \$~~450~~³⁰⁰.00.
- (3) Each cinerator facility shall be charged \$~~225~~¹⁰⁰.00 for each annual inspection. These shall be paid biennially, at the same time as the renewal fee.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.140, 497.606 FS. Law Implemented 497.140, 497.606 FS. History—New 2-13-80, Formerly 21J-22.03, Amended 4-1-90, 12-18-90, Formerly 21J-22.003, Amended 2-21-95, 7-4-95, 9-17-97, 2-16-98, 11-17-99, Formerly 61G8-22.003, Amended 7-3-06.

MOTION: Ms. Huggins moved to approve the changes to the rule. Mr. Baxley seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by cinerator facilities by \$75 per year for their initial two-year license under Chp. 497, Florida Statutes; and by \$75 per year to renew existing licenses. Those fee increases will be the first increases of those fees since approximately 1998.

The rule amendment would also increase the annual inspection fee paid by those same entities by \$125 per year. That fee increase will be the first increase of the inspection fee since approximately 1997.

MOTION: Mr. Helm moved to approve the estimated regulatory costs. Mr. Jones seconded the motion, which passed unanimously.

Direct Disposers, and Direct Disposal establishments

69K-17.0030 Direct Disposer/Establishment; Fees.

- (1) The direct disposer nonrefundable application fee shall be \$~~375~~³⁰⁰.
- (2) The direct disposer renewal fee shall be \$~~375~~²⁵⁰.
- (3) The direct disposal establishment nonrefundable application fee shall be \$~~450~~³⁰⁰.

Specific Authority 497.103, 497.140, 497.602, 497.603, 497.604 FS. Law Implemented 497.140, 497.602, 497.603, 497.604 FS. History—New 3-10-98, Formerly 61G8-17.0030, Amended 7-3-06.

MOTION: Mr. Brandenburg moved to approve the changes to the rule. Mr. Baxley seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by Direct Disposal Establishments, by \$75 per year for their initial two-year license under Chp. 497.

The rule amendment would increase the license fee paid by Direct Disposers, by \$37.50 per year for their initial two-year license under Chp. 497, Florida Statutes; and by \$62.50 per year to renew existing licenses. Those fee increases will be the first increases of those fees since approximately 1998.

MOTION: Mr. Jones moved to approve the estimated regulatory costs. Mr. Helm seconded the motion, which passed unanimously.

69K-23.004 Direct Disposal Establishments.

[Sections (1) through (5) unchanged]

(6) The biennial renewal fee for direct disposal establishments shall be ~~\$400~~^{\$300}.

(7) There shall be an annual inspection fee of ~~\$225~~^{\$100} for each direct disposal establishment.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.140, 497.604 FS. Law Implemented 497.140, 497.604 FS. History—New 2-13-80, Amended 11-8-82, 8-16-83, Formerly 21J-23.04, Amended 6-5-90, Formerly 21J-23.004, Amended 4-10-94, 9-17-97, 1-4-98, 2-16-98, 5-17-98, 2-17-00, 6-14-00, 11-20-00, Formerly 61G8-23.004.

MOTION: Mr. Helm moved to approve the changes to the rule. Mr. Jones seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by Direct Disposal Establishments by \$50 per year for existing Direct Disposal Establishment licensees. That fee increase will be the first increase of that fee since approximately 1998.

The rule amendment would also increase the annual inspection fee paid by Direct Disposal Establishments by \$125 per year. That fee increase will be the first increase of the inspection fee since approximately 1997.

MOTION: Mr. Baxley moved to approve the estimated regulatory costs. Ms. Huggins seconded the motion, which passed unanimously.

Monument Establishments

69K-12.002 Procedure for Licensing a Monument Establishment.

- (1) Each person desiring to obtain a license as a monument establishment shall apply to the Department by submitting the following:
[paragraph (a) unchanged]

(b) A non-refundable initial license fee of \$~~450~~~~200~~ which shall be the fee for the biennial licensing period beginning October 1 of each odd numbered year or any part thereof. [(2) through (6) unchanged]

(c) The biennial renewal fee for a Monument Establishment license shall be \$250.

[Remainder of rule unchanged]

Specific Authority 497.103(1), 497.105(5) FS. Law Implemented ~~497.550(2)(i); 497.551(2);~~ 497.361 FS. History–New 3-3-97, Formerly 3D-30.050, 69K-100.050.

MOTION: Mr. Helm moved to approve the changes to the rule. Mr. Baxley seconded the motion, which passed unanimously.

The rule amendment will increase the license renewal fee for existing Monument Establishments by \$50 per year. The rule amendment would increase the fee paid by Monument Establishment license applicants by \$125 per year for the initial two-year Monument Establishment license.

MOTION: Mr. Jones moved to approve the estimated regulatory costs. Ms. Hubbell seconded the motion, which passed unanimously.

69K-12.011 Annual Inspection Fees for Monument Builders.

Each monument builder shall pay an annual inspection fee of \$~~225~~~~100~~ that is payable upon application for licensure and upon each renewal of such license.

Specific Authority 497.103(1)(bb), (5)(a), 497.553(1) FS. Law Implemented 497.103(1)(bb), 497.553(1) FS. History–New 5-16-07.

Mr. Helm questioned whether the fee would only be charged in the event an inspection was conducted.

Mr. Shropshire stated that the fee would be charged at the renewal of the monument builder license.

MOTION: Mr. Baxley moved to approve the changes to the rule. Mr. Brandenburg seconded the motion, which passed unanimously.

The rule amendment would also increase the annual inspection fee paid by Monument Builders by \$125 per year.

MOTION: Mr. Jones moved to approve the estimated regulatory costs. Ms. Hubbell seconded the motion, which passed unanimously.

Removal Services

69K-24.020 Licensure of Removal Services.

[Section (1) unchanged]

(2) Removal services shall apply to the Department to be registered and shall pay a nonrefundable application fee of \$~~300~~~~250~~ together with an annual inspection fee of \$~~225~~ ~~one hundred dollars (\$100)~~ for each year for which the initial license will be issued.

(3) Removal services shall apply to the Department for renewal of registration and shall pay a nonrefundable renewal fee of \$300 together with the annual inspection fee of ~~\$225 one hundred dollars (\$100)~~ for each year for which the license will be issued.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.385 FS. Law Implemented 497.385 FS. History—New 5-21-95, Amended 9-18-95, 9-17-97, 2-16-98, Formerly 61G8-24.020.

MOTION: Mr. Baxley moved to approve the changes to the rule. Mr. Brandenburg seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by Removal Services by \$25 per year for their initial two-year license under Chp. 497, Florida Statutes. The fee increase will be the first increase of the fee since approximately 1998.

The rule amendment would also increase the annual inspection fee paid by those same Removal Services by \$125 per year. That fee increase will be the first increase of the inspection fee since approximately 1997.

MOTION: Mr. Jones moved to approve the estimated regulatory costs. Mr. Helm seconded the motion, which passed unanimously.

Centralized Embalming Facilities

69K-24.040 Licensure of Centralized Embalming Facilities.

[Section (1) unchanged]

(2) Centralized embalming facilities shall apply to the Department to be registered and shall pay a nonrefundable application fee of ~~\$300250~~ together with an annual inspection fee of ~~\$225 one hundred dollars (\$100)~~ for each year for which the initial license will be issued.

(3) Centralized embalming facilities shall apply to the Department for renewal of registration and shall pay a nonrefundable renewal fee of \$300 together with the annual inspection fee of ~~\$225 one hundred dollars (\$100)~~ for each year for which the license will be issued.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.385 FS. Law Implemented 497.385 FS. History—New 7-14-99, Formerly 61G8-24.040.

MOTION: Mr. Baxley moved to approve the changes to the rule. Ms. Huggins seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by Centralized Embalming Facilities by \$25 per year for the initial two-year Centralized Embalming Facility license. That fee increase will be the first increase of that fee since approximately 1998.

The rule amendment would also increase the annual inspection fee paid by Centralized Embalming Facilities by \$125 per year. That fee increase will be the first increase of the inspection fee since approximately 1997.

MOTION: Mr. Helm moved to approve the estimated regulatory costs. Ms. Hubbell seconded the motion, which passed unanimously.

Refrigeration Services

69K-24.030 Licensure of Refrigeration Services.

[Section (1) unchanged]

- (2) Refrigeration services shall apply to the Department to be registered and shall pay a nonrefundable application fee of ~~\$300~~²⁵⁰ together with an annual inspection fee of ~~\$225 one hundred dollars (\$100)~~ for each year for which the initial license will be issued.
- (3) Refrigeration services shall apply to the Department for renewal of registration and shall pay a nonrefundable renewal fee of \$300 together with the annual inspection fee of ~~\$225 one hundred dollars (\$100)~~ for each year for which the license will be issued.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.385 FS. Law Implemented 497.385 FS. History--New 5-21-95, Amended 9-17-97, 8-10-98, Formerly 61G8-24.030.

MOTION: Mr. Baxley moved to approve the changes to the rule. Ms. Huggins seconded the motion, which passed unanimously.

The rule amendment would increase the license fee paid by Refrigeration Services by \$25 per year for the initial two-year Refrigeration Service license. That fee increase will be the first increase of that fee since approximately 1998.

The rule amendment would also increase the annual inspection fee paid by Refrigeration Services by \$125 per year. That fee increase will be the first increase of the inspection fee since approximately 1997.

MOTION: Mr. Jones moved to approve the estimated regulatory costs. Ms. Hubbell seconded the motion, which passed unanimously.

Funeral Director & Embalmer combo; Funeral Director only; Embalmer only

69K-17.003 Fees.

[Section (1) unchanged]

- (2) The following biennial active status fees are prescribed by the Board:
 - (a) Biennial active status fee for license of embalmer shall be ~~\$160.00~~^{\$375} ~~one hundred sixty dollars (\$160.00)~~.
 - (b) Biennial active status fee for license of funeral director shall be ~~\$250.00~~^{\$375} ~~two hundred fifty dollars (\$250.00)~~.
 - (c) Biennial active status fee for license renewal of funeral director/embalmer shall be ~~\$250.00~~^{\$375} ~~two hundred fifty dollars (\$250.00)~~.

[Sections (3) and (4) unchanged]

- (5) Renewal of an inactive license for an embalmer, funeral director or direct disposer shall be subject to a fee of ~~\$100.00~~^{\$375} ~~one hundred dollars (\$100.00)~~. Renewal of an inactive license for funeral director/embalmer shall be subject to a fee of ~~\$100.00~~^{\$375} ~~one hundred dollars (\$100.00)~~.

[Remainder of rule unchanged]

Specific Authority 497.103, 497.140, 497.378, 497.379 FS. Law Implemented: 497.140, 497.368, 497.373, 497.378, 497.379, 497.603 FS. History— New 11-11-79, Amended 8-18-82, 4-10-84, Formerly 21J-17.03, Amended 3-10-91, 11-15-92, Formerly 21J-17.003, Amended 4-10-94, 1-10-95, 5-1-96, 9-10-96, 10-13-97, 1-4-98, 2-16-98, 10-12-98, 11-11-99, Formerly 61G8-17.003.

MOTION: Mr. Baxley moved to approve the changes to the rule. Mr. Brandenburg seconded the motion, which passed unanimously.

The rule amendment would increase the license renewal fee paid by Funeral Directors, by \$62.50 per year.

The rule amendment would increase the license fee paid by Funeral Director & Embalmer combination licensees, by \$62.50 per year. The rule amendment would increase the license fee paid by Embalmers, by \$107.50 per year. The rule amendment would increase the inactive license fee paid by Embalmers, Funeral Directors, and direct disposers, by \$162.50 per year.

MOTION: Mr. Baxley moved to approve the estimated regulatory costs. Mr. Helm seconded the motion, which passed unanimously.

Preneed Sales Agents

69K-5.003 Application for Registration of a Preneed Sales Agent.

- (1) Each person desiring to obtain licensure registration as a preneed sales agent for a preneed licensee shall apply to the Board by submitting the following by certified mail:
 - (a) A completed application for Registration of a Preneed Sales Agent, Form DFS-PNS-1, effective 4-25-94, which is hereby incorporated by reference and available by mail from the Department of Financial Services, 200 East Gaines Street, Tallahassee, Florida 32399-0361. The registration must be completed and signed by an authorized representative of the preneed licensee within thirty (30) days prior to receipt by the Department;
~~(b) A non-refundable application fee of \$100 which shall be the fee for the biennial period beginning March 1 of each even-numbered year or any part thereof.~~
 - (b) Fees.
 1. The fee for licensure and initial appointment as a preneed sales agent shall be \$250.
 2. The fee for each additional appointments shall be \$250.
 3. The fee for biennial renewal of a preneed sales agent appointment shall be \$250.

The above fees shall be effective on the later of July 1, 2009 or this rule becoming effective.

[remainder of rule unchanged]

Specific Authority 497.103(5), 497.140(1) FS. Law Implemented 497.466(2)(h); 497.466(7)(f), FS. History – New _____.

MOTION: Ms. Huggins moved to approve the changes to the rule. Mr. Brandenburg seconded the motion, which passed unanimously.

The rule amendment would increase the fee paid by Preneed Sales Agents for additional appointments and appointment renewals, by \$50 per year. The rule amendment would increase the fee paid by Preneed Sales Agents for their initial combination license and appointment, by \$75 per year.

MOTION: Mr. Helm moved to approve the estimated regulatory costs. Mr. Jones seconded the motion, which passed unanimously.

XXII. Report from Richard Baldwin, Examiner for Menorah Gardens, Oct. '08 (see attachment)

The Board members received a copy of the report from Richard Baldwin for the month(s) of October '08. Mr. Baldwin continues to assist consumers.

Ms. Lyons questioned whether there is a date for a Rules Committee meeting.

Mr. Shropshire stated that since the Board has approved the proposal, this matter would go directly to rulemaking. The notice of rulemaking would be published in the Florida Administrative Weekly with the opportunity to request hearings.

Ms. Olvey questioned whether the Rules Committee meeting scheduled for the 14th had been cancelled.

Mr. Shropshire responded the meeting would be cancelled.

XXIII. Adjournment

At 11:38 a.m., the meeting was adjourned.