



Senate Bill 872 Testimony (Supplemental)

Before the Senate Committee on Judiciary

Hello, Chair Prozanski, Vice-Chair Thatcher and Members of the Committee.

For the record, my name is Chad Dresselhaus and I am the Executive Director of the Oregon Mortuary & Cemetery Board (OMCB).

In addition to what I've previously submitted and testified during the February 25, 2025 public hearing, I wanted to submit this supplemental document to address questions raised during my testimony.

How the Oregon Mortuary & Cemetery Board (OMCB) is Funded

First, there was a question regarding how our agency is funded. OMCB is an "other funds" agency, which means that we don't receive any general or lottery fund dollars. We are 100% funded via the death filing fee (\$30 is paid for each report of death -- \$16 is allocated to the Indigent Disposition Fund and \$14 is allocated to our agency's account, which is a main source of the agency's revenue), licensing fees, and disciplinary action civil penalties.

Where are Civil Penalties Deposited?

There was a question regarding where the agency's civil penalties are deposited. For our agency, pursuant to **ORS 692.375**:

The State Mortuary and Cemetery Board Account is established in the State Treasury, separate and distinct from the General Fund. All moneys received by the State Mortuary and Cemetery Board under this chapter shall be paid into the account and are appropriated continuously to be used only for the administration and enforcement of this chapter, for the administration and enforcement of ORS 97.931 and for the purpose of education of funeral service practitioners, embalmers and death care consultants. Any interest or other income from moneys in the account shall be credited to the account.

Out of the eighteen HPRB agencies, seven additional agencies have this same depository arrangement. Six of the agencies deposit their collected funds/civil penalties into the General Fund of the State Treasury and the funds are credited to the agency. The remaining four agencies deposit their funds into an account created/established by the board.



Increasing OMCB's Civil Penalty from \$1,000 to \$5,000

There was a question about the proposed civil penalty increase from \$1,000 to \$5,000. While this would authorize the Board to assess a civil penalty “not to exceed \$5,000,” the Board typically does not assess the maximum penalty unless the violation is egregious and a clear violation of a fundamental law or rule and caused significant harm to the public.

Out of the eighteen HPRB agencies, twelve agencies are currently authorized to impose a civil penalty of \$5,000 or more. Therefore, increasing the civil penalty amount for our agency would be aligned with what a majority of the HPRB agencies are already authorized to impose.

Authorizing OMCB to Receive Assessment of the Costs of Disciplinary Proceedings (Contested Cases)

Finally, there appeared to be concern regarding the proposed ability of our agency to receive an assessment of the costs of a disciplinary proceeding (contested case) when a respondent is unsuccessful after requesting an administrative hearing.

It is important to note that I've been with this agency for over ten years and only two cases have been through the administrative hearing process. A majority of our cases are resolved through a comprehensive negotiation process – during which a respondent has the opportunity to request a reduction of the proposed civil penalty and disciplinary action typically in the form of a written request/explanation of circumstances that resulted in the violation(s) – and these requests may result in reduced civil penalties, when appropriate. The successful outcome of these negotiations between OMCB and a respondent results in a signed consent order in lieu of requesting a hearing. This process has proven to be extremely successful and effective for both parties involved – I anticipate that all of the other HPRB agencies would agree.

Thank you for the opportunity to provide this clarifying supplemental testimony and I am happy to answer any questions that you may have as a result of this submission.