



CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT

March 6, 1997

To: The Members
Assembly Committee on Consumer Affairs

From: Representative Clifford Otte, Chair *C.O.*

MEMO

On March 6, 1997, the following clearinghouse rule was referred to the Assembly Committee on Consumer Affairs:

Clearinghouse Rule 96-183, relating to the registration and regulation of agents authorized to represent funeral directors or funeral establishments in the sale or solicitation of burial agreements that are funded with the proceeds of a life insurance policy.

The deadline for committee action on this rule is **April 7, 1997**. Please find herewith a copy of the rule. If you are interested in requesting a hearing and/or submitting comments, please do by **March 18, 1997**.

Save

April 10, 1997

Rep. Clifford Otte
Consumer Affairs Committee
P.O. Box 8953
Madison, Wisconsin 53708

Dear Representative Otte:

My name is Beverly Harper. I am a 67 year old widow, my husband having died in November of 1995. I want to share with you a situation in which I found myself recently.

An insurance agent called and suggested that I should consider the purchase of a life insurance policy which would pay for my funeral expenses. Being recently widowed I understood the merit of doing something to make sure that my children wouldn't be burdened with the cost of a funeral service. He visited my home, and showing me a long list of people who have recently purchased a policy from him, it wasn't long before I was committing to the purchase of a policy.

A few months after purchasing the policy I called my funeral director, the same one who had conducted my husband's services. In all honesty, I guess that I wanted reassurance that what I had done was really the right thing to do. I told him that I had taken care of my funeral arrangements. After describing what it was that I had done, he suggested that what I had really done was to simply purchase a policy and that I had not made my arrangements. I want you to know that what I wanted to do was exactly that, make and pay for my funeral arrangements.

With the assistance of my funeral director, I reviewed the policy and lo and behold what do you suppose. It was a term policy that required that I pay until my death or until I reached the age of 95. If I was lucky enough to live to 95 I would have a total of over \$14,000 paid in. The death benefit was fixed at \$6,000 whether I died in the tenth year or the twenty eighth year.

Fortunately, I was able to terminate the policy with a total loss of about \$400.00 My funeral director indicated that in June he will be able to offer an insurance funded funeral plan and after reviewing it with him it would be exactly what I want and more importantly, at a price that is much more fair. He also told me that your committee is holding a hearing on whether or not it should be permissible for him to start the process with a call to me. I wish that he had been able to call me a year ago. It would have saved me a lot of time and my \$400.00. I can't help but think of the list of names of people who have bought an insurance policy thinking they were getting something that they obviously aren't.

I trust my funeral director, he is the one who will provide my services and he is willing to guarantee my plans if the insurance policy is a part of that plan. Do what you can to make sure that he can offer his services to the public.

Thank you very much for your consideration.

Beverly Harper

Beverly Harper
2115 Bainbridge Street
LaCrosse, Wisconsin 54603



SUCHOM FUNERAL HOME

1317 State Road 67 • P.O. Box 535 • Plymouth, WI 53073 • (414) 893-9797

April 21, 1997

The Honorable Clifford Otte
Room 109 West
State Capitol
Madison, WI 53702

Dear Mr. Otte:

Re: Clearinghouse Rule 96-183

This is to inform you that I am strongly opposed the recent reversal of the restriction on telephone solicitation as the initial for of contact with consumers in regard to the sale of insurance. My reasons are as follows:

1. Consumers who tend to pay for their funerals in advance are not younger people or even healthy older citizens; but, mainly those who are about to enter a nursing home and are making good use of federal exclusions for funeral expenses, as they apply for federal financial and state medical assistance.
2. Only the state Funeral Directors Examining Board has direct authority to restrict forms of telephone solicitation that it believes may do consumers more harm than good.
3. The reason given for the Examining Board's reversal of its position on cold calling is to give funeral directors equal opportunity, along with other sellers, to provide information to consumers on burial insurance. That rationale is of questionable validity because cold calling is not used to provide detailed product information but to generate leads for the sales force.

4. Cold calling places business interests ahead of the interest of consumers. As public officials, Examining Board members' duty is to consumers.
5. There are better, more effective ways to provide detailed product information than a cold call to an unsuspecting, infirm senior citizen about to enter a nursing home.

We respectfully urge the committee to act to request the Funeral Directors Examining Board to reconsider its February 12th action and restore the proposal to its original form, which prohibits telephone solicitation as the initial form of contact with consumers.

Sincerely,

A handwritten signature in black ink, appearing to read "Samuel M. Suchon". The signature is fluid and cursive, with a large initial "S" and "M".

Samuel M. Suchon
Suchon Funeral Home

OTHER LOCATIONS:

MILWAUKEE

5050 W. Vliet Street

MENOMONEE FALLS

Menomonee & Town Hall Road

SUSSEX

Highways J & VV (Main Street)

WHITEFISH BAY

106 W. Silver Spring Drive

OCONOMOWOC

121 S. Cross Street

MEQUON

10280 N. Port Washington Road

MUKWONAGO

315 Main Street

Schmidt & Bartelt

A. A. SCHMIDT & SONS • GUARDLALABENE & AMATO • GERBER • VAN VALIN
HEIDEN & LANGE • EUGENE WEIAND • NOTBOHM-KREUTZMANN ASSOCIATES

10121 West North Avenue • Wauwatosa, Wisconsin 53226-2468



Funeral Service

Phone 774-5010

April 8, 1997

Assembly Committee on Consumer Affairs
PO Box 8952
Madison, WI 53707

Testimony on Funeral Directors Examining Board Clearinghouse Rule 96-183
(For hearing April 24, 1997)

Honorable Chair Person, Vice Chair Person and Committee Members:

By way of introduction; I am Charles J. Peters, president of Schmidt & Bartelt, Inc., a Funeral Service Company with funeral homes in; *Milwaukee, Wauwatosa, Menomonee Falls, Sussex, Oconomowoc, Mukwonago, Whitefish Bay and Mequon.*

Our family and employee owned business has been providing quality funeral services to the consumer for 110 years. The Schmidt family established their first funeral home in Menomonee Falls back in 1887. Today we are proud to be distinguished as the oldest continuously owned and operated business (of any kind) in Menomonee Falls. Over the years our company has partnered with other fine family owned funeral homes to become the largest provider of funeral services in Wisconsin.

We have a history of taking a pro-active role in consumer protection as it relates to funeral service in this State. The late Wilmer G. Schmidt served as a member of the Examining Board for many years. The results of his efforts, as well as, the efforts of many other concerned funeral professionals of his time, are largely responsible for the regulations we adhere to today. The succession of our family and employee ownership has continued to provide funeral service professionals dedicated to maintaining high levels of integrity and industry standards in our dealings with the consumer.

We are currently active members of the National Funeral Directors Assoc., the Wisconsin Funeral Directors Assoc., the Funeral Service Alliance of WI and the National Selected Morticians. I presently serve on an ad hoc Ethics Committee of the Wisconsin Funeral Directors Association.



I bore you with all of this, to hopefully lend some degree of credibility to my following remarks:

I am speaking to you today in favor of the Examining Boards Rule #96-183.

In doing so, I as a member of WFDA would first like to apologize to the private members of the Examining Board.

The Wisconsin Funeral Directors Association has unfortunately seen necessary to openly impugn the character of the private members of the Examining Board by inferring that they *sold out to their own business interests at the expense of the consumer.*

I commend the private member of the Board for their insight in their decision to include a provision for controlled telephone solicitation. It took a lot of courage on their part to see that the consumer will ultimately be better served by a none restricted competitive climate, which will allow the consumer to make totally informed choices in selecting funeral goods and services from the pre-need marketplace.

By the phrase; none restrictive competitive climate, I mean to say is that, without the ability of funeral homes to use the telephone to solicit their pre-need programs, other providers of funeral merchandise, such as cemeteries and providers of final expense policies would be, as they are at the present time, at a distinct competitive advantage.

Allowing for controlled telephone solicitation will not necessarily result in wholesale abuses to the consumer. Good and honorable funeral directors will not automatically become unscrupulous in their business practices. I firmly believe that the vast majority of funeral professionals in this State can be trusted to continue to conduct their business ethically and responsibly.

Respectfully Submitted,



Charles J. Peters,
President

Assembly Hearing Slip

(Please print plainly)

Date: 4-21-97

Bill No. CR 96-183

Or Subject

Name: Verne L. Hubbs

(Street Address or Route Number) 14226 Van Treck Tr

(City & Zip Code) Sheb Falls, Wis. 53085

(Representing) Hubbs - Men's Funeral Home

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97

Bill No. CR 96-183

Or Subject

Name: Wilma Morris

(Street Address or Route Number) 2300 N. Harbor Pl. #595

(City & Zip Code) Waukesha, WI 53086

(Representing) WJ Funeral Directors Association

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

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State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997

Bill No. CLR 96-183

Or Subject

Name: Dianne Pratt

(Street Address or Route Number) 4045 N 16th St.

(City & Zip Code) Milwaukee, WI 53209

(Representing) Funeral Directors Examining Board

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97
Bill No. _____
Or. _____
Subject: Rules Packet
Rep Albus DOLL
(Name)

(Street Address or Route Number)

(City & Zip Code)

(Representing)

See original only

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

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Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997
Bill No. _____
Or. CLR 96-183
Subject: _____
Jacquelyn Bothstein
(Name)

(Street Address or Route Number)
Madison, WI 53703
(City & Zip Code)

Funeral Directors Examining Board
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms
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State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997
Bill No. _____
Or. CLR 96-183
Subject: _____
Patricia Beuter
(Name)

(Street Address or Route Number)
Madison, WI 53703
(City & Zip Code)
Funeral Directors Examining Board
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor:
- Registering against:
- Speaking for information only; Neither for nor against:

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Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997

Bill No. CLR 96-183
Or
Subject

D. Bruce Carlson
(Name)

134 N Stevens St
(Street Address or Route Number)

Rhineland, WI 54501
(City & Zip Code)

Funeral Directors Examining Board
(Representing)

Speaking in favor:

Speaking against:

Registering in favor:
(written comments suggested)

Registering against:

Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97

Bill No. 96-183
Or
Subject

ROBERT SONNENBURG
(Name)

801 E. Monoway St.
(Street Address or Route Number)

TOMAH, WI 54660
(City & Zip Code)

SONNENBURG FAMILY F.H.
(Representing)

ORG RULE WITH OUT

Speaking in favor: Modification

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:
Neither for nor against:

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State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97

Bill No. 96-183
Or
Subject

David Welsh
(Name)

675 Farwell Dr
(Street Address or Route Number)

Oregon WI 53575
(City & Zip Code)

self
(Representing)

Speaking in favor: of original rules
without modifications

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Did not speak

Assembly Hearing Slip

(Please print plainly)

Date: April 24 1997

Bill No. Emergency Amendment 96-183

Or Subject

(Name) WILLIAM F. FRAUSE, JR

(Street Address or Route Number) 9000 W. CAPITOL DRIVE

(City & Zip Code) MILWAUKEE WI 53222

(Representing) FRAUSE FUNERAL HOME

* Speaking in favor: *WITH OUT ANY MODIFICATION*

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.

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Room 411 West
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Madison, WI 53702

Did not speak

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97

Bill No. 96-183

Or Subject

(Name) LEONARD L. SCHMIDT

(Street Address or Route Number) 629 CEDAR ST.

(City & Zip Code) WEST BEND 53095

(Representing) SCHMIDT FUNERAL HOME & FSA-WIS

Speaking in favor: *ORIGINAL RULE WITHOUT MODIFICATION*

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms:
Room 411 West
State Capitol
Madison, WI 53702

Did not speak

Assembly Hearing Slip

(Please print plainly)

Date:

Bill No. 96-183

Or Subject

(Name) PAUL E. BAUMGARTNER

(Street Address or Route Number) 1919 JEFFERSON ST.

(City & Zip Code) MADISON WI 537

(Representing) SELF - CONSUMER / FUNERAL PROF.

Speaking in favor:

Speaking against:

Registering in favor: *ORIGINAL RULE WITH MODIFICATION*

Registering against:

Speaking for information only:

Neither for nor against:

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Assembly Sergeant at Arms:
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State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: APRIL 24, 1997
Bill No. CLEARING HOUSE RULE
Or Subject 96-183
Name) KACQUETA P CAPIT
13 WEBER PINE BIRCH CIRCLE
(Street Address or Route Number)
MADISON, WI 53704
(City & Zip Code)
AMERICAN LEGACY
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor: ORIGINAL RULES WITH NO MODIFICATION
- Registering against: ORIGINAL RULES WITH NO MODIFICATION
- Speaking for information only:
- Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97
Bill No. 96-183
Or Subject
Name) STEPHAN M. KWIAKOWSKI
1112 W 17083 VISTA CT # F
(Street Address or Route Number)
BERMANTOWN, 53022
(City & Zip Code)
KRAUSE TAN ERN Army
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor: ORIGINAL RULES WITH NO MODIFICATION
- Registering against: ORIGINAL RULES WITH NO MODIFICATION
- Speaking for information only:
- Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97
Bill No. 96-183
Or Subject Clearing House Rule
Name) Lois Ann Gould
620 LeMessurier St
(Street Address or Route Number)
Mausau WI 54003 CZ4
(City & Zip Code)
American Legacy
(Representing)

- Speaking in favor:
- Speaking against:
- Registering in favor: ORIGINAL RULES WITH NO MODIFICATION
- Registering against: ORIGINAL RULES WITH NO MODIFICATION
- Speaking for information only:
- Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Registering in favor of original
rules with no modifications

Assembly Hearing Slip

(Please print plainly)

Date: Apr 24, 1997
Bill No. 96-183

Subject: _____

(Name) Robert Francis

(Street Address or Route Number) 1900 W 17657 ST FRANCIS

(City & Zip Code) MENOMONIE FALLS

(Representing) _____

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

ORIGINAL RULES WITHOUT MODIFICATION

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/1997
Bill No. 96-183

Subject: _____

(Name) Heane M Smith

(Street Address or Route Number) 1080 Green

(City & Zip Code) GREEN BAY, WI 54302

(Representing) Shoreland Home

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

ORIGINAL RULES WITHOUT MODIFICATION

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Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-1997
Bill No. 96-183

Subject: _____

(Name) PATRICIA EIDER

(Street Address or Route Number) 1114 W 16751 ROYAL CT

(City & Zip Code) GERMANTOWN 53022

(Representing) KRAUSE FUNERAL HOME

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

ORIGINAL RULES WITHOUT MODIFICATION

Please return this slip to a messenger promptly.
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State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 2-24-97
Bill No. 96-183
Or
Subject

(Name) JOSEPH BECKER
(Street Address or Route Number) 14075 W. Northdale
(City & Zip Code) BROOKFIELD WI 53005
(Representing) BECKER RITTER

Speaking in favor:
Speaking against:
Registering in favor:
original rule without modification
Registering against:
Speaking for information only:
Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 2/24/97
Bill No. _____
Or
Subject

(Name) Jane Frank
(Street Address or Route Number) 8895 Alta Vista
(City & Zip Code) Brookfield WI 53005
(Representing) 96-183

Speaking in favor:
Speaking against:
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

original rule modification

Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Please return this slip to a messenger promptly.

Speaking in favor:
Speaking against:
Registering in favor:
original rule without modification
Registering against:
Speaking for information only:
Neither for nor against:

(Name) _____
(Street Address or Route Number) 1826 N. 58th STREET
(City & Zip Code) MILWAUKEE WI 53208
(Representing) BECKER RITTER

(Name) GIOVANNI S. LUNA
(Street Address or Route Number) _____
(City & Zip Code) _____

Date: 2-24-97

(Please print plainly)

Assembly Hearing Slip

Bill No. CLEANUP HOUSE RULE
Or
Subject 96-183

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97
Bill No. 96-183
Or.
Subject

Name: Diana Athens
221 Elm St.
(Street Address or Route Number)
Delavan WI 53115
(City & Zip Code)
Self
(Representing)

Speaking In favor:
Speaking against:
Registering In favor: *Original Rules with Modification*
Registering against:
Speaking for information only:
Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997
Bill No. 96183
Or.
Subject

Name: Gary Hostad
5032 Dugane Dr
(Street Address or Route Number)
Madison, WI 53716
(City & Zip Code)
Catholic Funeral Home
(Representing)

Speaking In favor:
Speaking against:
Registering In favor: *Original Rules with Modification*
Registering against:
Speaking for information only:
Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97
Bill No. 96-183
Or.
Subject

Name: Jan Fenig
SAS Robert D
(Street Address or Route Number)
Sun Prairie WI
(City & Zip Code)
Hampson FH, 53586
(Representing)

Speaking In favor:
Speaking against: *Original Rules with Modification*
Registering In favor:
Registering against:
Speaking for information only:
Neither for nor against:

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Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997

Bill No. 96-183

Of Subject

Blaine McDowell

(Name)

W5776 Hypoint Drive

(Street Address or Route Number)

La Crosse, WI 54601

(City & Zip Code)

Myself

(Representing)

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms

Room 411 West

State Capitol

Madison, WI 53702

of original rules without modifications

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97

Bill No. 96-183

Of Subject

Michelle N. Baumgartner

(Name)

227 W. Rockwell

(Street Address or Route Number)

Elkhorn, WI 53121

(City & Zip Code)

Self

(Representing)

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms

Room 411 West

State Capitol

Madison, WI 53702

of original ruling Wort modification

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97

Bill No.

Of Subject Chamberhouse 96-183

JOET F. Vack

(Name)

721 N. Eversh. St

(Street Address or Route Number)

WATERLOO, WI

(City & Zip Code)

S. Knutson - Vick

(Representing)

Speaking In favor:

Speaking against:

Registering In favor: of the original rule with modifications

Registering against:

Speaking for information only:

Neither for nor against:

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Assembly Sergeant at Arms

Room 411 West

State Capitol

Madison, WI 53702

WFDH Member

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97

Bill No. 96-183

Or Subject: Clean Air Act Rule

(Name) Tamara Rohloff

(Street Address or Route Number) 112 Wilbur St Apt A

(City & Zip Code) Watstown WI 53098

(Representing) Connersone, Schmutzler - Wick F.A.

Speaking in favor:

Speaking against:

Registering in favor: original rule with modification

Registering against:

Speaking for information only:

Neither for nor against:

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State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97

Bill No. FD 610 96-183

Or Subject:

(Name) Edward Klenzner

(Street Address or Route Number) 1106 11th Ave

(City & Zip Code) Watstown WI 53024

(Representing) American Legacy

Speaking in favor: original rules

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

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Did not speak

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97

Bill No. Clean Air Act Rule

Or Subject: 96-183

(Name) Richard George Summers

(Street Address or Route Number) 987 S Main St.

(City & Zip Code) Oregon, WI 53575

(Representing) American Legacy

Speaking in favor: original rules with no modification

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

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State Capitol
Madison, WI 53702

Did not speak

Assembly Hearing Slip

(Please print plainly)

Date: APRIL 24 1997

Bill No. 96-183

Of: Telephone Surcumber

Subject: Telephone Surcumber

(Name) Richard Vandenberg

(Street Address or Route Number) 2160 SHERMAN RD

(City & Zip Code) COTTAGE GROVE, WI 53527

(Representing) GUNDISON FIREARMS

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

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Assembly Sergeant at Arms
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State Capitol
Madison, WI 53702

Did not speak

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97

Bill No. 96-183

Of: Subject

Subject: Bill Cress

(Name) Bill Cress

(Street Address or Route Number) 3610 SNEEDWAY RD

(City & Zip Code) MADISON 53705

(Representing) CROSS FH. & W.P. FSA

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

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Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Did not speak

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97

Bill No. 96-183

Of: Subject

Subject: DAN FOSSE

(Name) DAN FOSSE

(Street Address or Route Number) 7325 LONGMEADOW RD.

(City & Zip Code) MADISON, WI 53717

(Representing) CROSS FIREARM SERVICE

Speaking In favor:

Speaking against:

Registering In favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.

Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Parred

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997

Bill No. 96-183

Or. Subject _____

(Name) MARK MURDOUGH

(Street Address or Route Number) FORETHOUGHT CENTER

(City & Zip Code) BATESVILLE IN

(Representing) THE FORETHOUGHT GROUP

Original rule without modification
Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Robert

Assembly Hearing Slip

(Please print plainly)

Date: 4-24

Bill No. 96-183

Or. Subject _____

(Name) Kathy Becker

(Street Address or Route Number) 14075 W. North Ave

(City & Zip Code) Breckfield W. 53005

(Representing) Boyer After Funeral Homes

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997

Bill No. CHR 96-183

Or. Subject _____

(Name) Diego Camacho Jr

(Street Address or Route Number) 206 E. Harriet St

(City & Zip Code) DARLINGTON, WI 53530

(Representing) Wise-Turkic Director ASSN.

Speaking in favor:

Speaking against:

Registering in favor:

Registering against:

Speaking for information only:

Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97
Bill No. AB 96-183
Or. Subject: EVEN PLAYING FIELD
FOR FUNERAL DIRECTORS
ETER GUNDERSON
(Name)
5203 MONONA DR.
Street Address or Route Number
MADISON, WI 53716
City & Zip Code
GUNDERSON FUNERAL HOME - MADISON
(Representing)

Speaking in favor: ORIGINAL RULES
Speaking against:
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4-24-97
Bill No. CLEARING HOUSE RULE
Or. Subject: 96-183
CHRISTINE JACOB
(Name)
8921 N. MALOU JR
Street Address or Route Number
MILW WI 53217
City & Zip Code
AMERICAN LEGACY
(Representing)

Speaking in favor: ORIGINAL RULES - NO MODIFICATIONS
Speaking against:
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: April 24, 1997
Bill No. 96-183
Or. Subject:
Charles J. Peters
(Name)
10121 W. North Ave
Street Address or Route Number
Wauwatosa, WI 53226
City & Zip Code
Schmidt & Bartelt, Inc.
(Representing)

Speaking in favor: ORIGINAL RULES
Speaking against: MODIFICATIONS
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 24 April 1997
Bill No. Act 295
Or. Deamng House Rule 96-183
Subject: Dean Dickinson

(Name) Dean Dickinson
1425 Jackson Street.
(Street Address or Route Number)
Wadsworth Wisconsin 54601
(City & Zip Code)
Dickinson Family Funeral Home
(Representing)

Speaking in favor: (without modification)
Speaking against:
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97
Bill No. CEARULE House Rules
Or. 96-183
Subject: Clark Krause

(Name) Clark Krause
9000 W. Capitol Drive
(Street Address or Route Number)
Mcwaukee WI 53222
(City & Zip Code)
FUNERAL SERVICE ALLIANCE OF WISC.
(Representing)

Speaking in favor: ORIGINAL RULES
WITH NO MODIFICATIONS
Speaking against:
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

Assembly Hearing Slip

(Please print plainly)

Date: 4/24/97
Bill No. 96-183
Or. 96-183
Subject: Bob Wlaczek TR

(Name) Bob Wlaczek TR
1630 E. Mason St
(Street Address or Route Number)
Green Bay WI 54302
(City & Zip Code)
FUNERAL SERVICE ALLIANCE
(Representing)
ORIGINAL RULES WITHOUT
Speaking in favor: MODIFICATION
Speaking against:
Registering in favor:
Registering against:
Speaking for information only:
Neither for nor against:

Please return this slip to a messenger promptly.
Assembly Sergeant at Arms
Room 411 West
State Capitol
Madison, WI 53702

**Proposed Modification to FD 6.10 Made at the Request of the Senate
Committee on Economic Development, Housing, and Government
Operations**

FD 6.10 SOLICITATION OF BURIAL AGREEMENTS FUNDED WITH THE PROCEEDS OF A LIFE INSURANCE POLICY. (1) No funeral director, owner of a funeral establishment, or agent may initiate any telephone call using an automatic telephone dialing system or an artificial prerecorded voice for the purpose of selling or soliciting a burial agreement funded by the proceeds of a life insurance policy to any of the following:

(a) The telephone line of any guest room or patient room of a hospital, health care facility, elderly home, or similar establishment.

(b) Any residential or business telephone line without the prior express written consent of the called party.

(c) The residential or business telephone line of a relative of a person whose death is imminent or appears to be imminent.

(2) An agent may initiate a telephone call by live-voice for the purpose of selling or soliciting a burial agreement funded with the proceeds of a life insurance policy only if all of the following apply:

(a) Written notice is sent by the agent to the prospective customer at least 72 hours in advance of the call.

(b) Written notice shall advise the customer of all of the following:

1. The name of the agent who will be calling, the name of the person or entity upon whose behalf the call is being made, and a telephone number or address at which the person or entity may be contacted.

2. That the call will only be made between the hours of 8:00 a.m. to 6:00 p.m. central standard time.

3. The specific reason for the call in no less than 12-point type.

4. That the customer may call the person or entity upon whose behalf the call is being made to request that no call be made. This statement shall be in no less than 14-point, bold-faced type.

(3) Agents who sell or solicit the sale of burial agreements funded by the proceeds of life insurance as in sub. (2) shall do all of the following:

Proposed Modification to FD 6.10

Page 2

(a) Immediately provide the called party with the name of the agent, the name of the person or entity upon whose behalf the call is being made, and a telephone number or address at which the person or entity may be contacted.

(b) Have a written policy, available upon demand, for maintaining a do-not-call list.

(c) Record the name and telephone number of persons who request placement on the do-not-call list at the time the request is made. No further calls may be made to a person who has requested placement on the do-not-call list.

(4) An agent may contact a prospective purchaser of a burial agreement funded by the proceeds of life insurance or the prospective purchaser's authorized representative, in a hospital, health care facility elderly home, or similar establishment only if the prospective purchaser requests the contact.

(5) Beginning the first day of the eighteenth month after the effective date of this subsection, no funeral director, owner of a funeral establishment, or agent may initiate any telephone call by live-voice or by using an automatic telephone dialing system or a prerecorded voice for the purpose of selling or soliciting a burial agreement funded by the proceeds of a life insurance policy to:

(a) The telephone line of any guest room or patient room of a hospital, health care facility, elderly home, or similar establishment.

(b) Any residential or business telephone line without the prior express written consent of the called party.

(c) The residential or business telephone line of a relative of a person whose death is imminent or appears to be imminent.



CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT

March 6, 1997

To: The Members
Assembly Committee on Consumer Affairs

From: Representative Clifford Otte, Chair *C.O.*

MEMO

On March 6, 1997, the following clearinghouse rule was referred to the Assembly Committee on Consumer Affairs:

Clearinghouse Rule 96-183, relating to the registration and regulation of agents authorized to represent funeral directors or funeral establishments in the sale or solicitation of burial agreements that are funded with the proceeds of a life insurance policy.

The deadline for committee action on this rule is **April 7, 1997**. Please find herewith a copy of the rule. If you are interested in requesting a hearing and/or submitting comments, please do by **March 18, 1997**.

Assembly

COMMITTEE HEARINGS

Committee on Consumer Affairs

AMENDED NOTICE

The committee will hold a public hearing on the following items at the time specified below:

Thursday, April 24, 1997
9:00 a.m. to Noon
424 NE State Capitol

Clearinghouse Rule 96-183

Relating to the registration and regulation of agents authorized to represent funeral directors or funeral establishments in the sale or solicitation of burial agreements that are funded with the proceeds of a life insurance policy.

Submitted by the Department of Regulation and Licensing.

The Committee will conclude taking public testimony no later than 11:30 a.m. and may hold an executive session on CR 96-183 after taking public testimony.

The Committee may hold an executive session on Senate Bill 35.



Representative Clifford Otte
Chair

Vote Record

Assembly Committee on Consumer Affairs

Date: 4-24-97 Executive Session Public Hearing

Bill Number: CR96-183

Moved by: Ott Seconded by: Hasenohrl

Motion: To ask for the Board to modify the rule of the committee as will object.

(see letter to Board from Chair, 4/24/97 for details)

<u>Committee Member</u>	<u>Aye</u>	<u>No</u>	<u>Absent</u>	<u>Present</u>	<u>Absent</u>
Rep. Clifford Otte, Chair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. DuWayne Johnsrud	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Alvin Ott	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Michael Lehman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Frank Urban	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Annette Polly Williams	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Donald Hasenohrl	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Rep. Spencer Black	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Totals:	<u>7</u>	<u>0</u>	<u>1</u>		

Motion Carried

Motion Failed



CLIFFORD OTTE

WISCONSIN STATE REPRESENTATIVE
27TH ASSEMBLY DISTRICT

April 24, 1997

Funeral Directors Examining Board
Wisconsin Dept. of Regulation & Licensing
1400 E. Washington Avenue
Madison, WI 53702
ATTN: Ms. Patricia H. Reuter

Dear Members of the Board:


In an executive session on April 24, 1997, following a public hearing, the Assembly Committee on Consumer Affairs passed the following motion:

The Committee requests that the Funeral Directors Examining Board under s. 227.19(4)(b)2, *Wisconsin Statutes*, agree to consider modification of Clearinghouse Rule 96-183, including the recession of the modification of the rule contained in the April 23, 1997 letter to the Committee, and consider returning to the original administrative rule as submitted to the Legislature and to the Committee. Further, the Committee voted that if the Funeral Directors Examining Board does not agree to consider the modification of CR 96-183 by 4:00 p.m. on May 6, 1997, the Committee objects to Clearinghouse Rule 96-183 in its entirety for the reasons specified in s.227.19(4)(d)1., 3. and 6., *Wisconsin Statutes*.

The motion was approved on a vote of Ayes, 7; and Noes, 0.

If you have any questions regarding this motion, please feel free to contact me at my office.

Sincerely yours,


CLIFFORD OTTE
Chairman
Assembly Committee on Consumer Affairs

CO:day

cc: Secretary Marlene Cummings
Senator Gwendolynne Moore
Members, Assembly Committee on Consumer Affairs

Office: P.O. Box 8953 • Madison, WI 53708-8953 • (608) 266-8530
Home: N5385 Bridgewood Road • Sheboygan Falls, WI 53085 • (414) 467-4794
Toll-Free Legislative Hotline: 1 (800) 362-9472

CRESS FUNERAL SERVICE, INC.

"Service is Love and Concern in Action"



My name is Bill Cress, I am Vice-President of Cress Funeral Service, Inc., the funeral home I represent has been in continuous operation since 1869 and has been owned by only two families the Frautschi Family and now my Family. I am also Vice-President of the Funeral Service Alliance of Wisconsin, which represents funeral homes and funeral related businesses in every part of our State, and on there behalf, I am here to speak in support of the Rules as set up by the Funeral Directors Examining Board. Over the years I've had a lot of opportunity to travel all over this great country of ours and I have seen considerable changes in my Profession some good and some not so good, but change happens. Many times the only thing we can do is moderate the change so that it is as fair as possible to all concerned . Few Funeral Directors are happy about the changes, as a rule funeral directors are slow to change, but most of the changes that are occurring are consumer driven. The consumers desire for information about anything and everything is almost overwhelming, just look at the Internet. Consumers can buy a car, their groceries, that evenings meal, keep track of government, and even information on funerals. Consumers are solicited everyday, by every group, by every kind

*Original Rule without modifications
NO Row
NO Sunset*

CRESS (Formerly Frautschi's)
3610 Speedway Road
Madison, WI 53705
(608) 238-3434

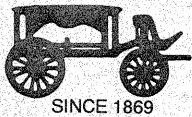
CRESS-SUN PRAIRIE
1310 Emerald Terrace
Sun Prairie, WI 53590
(608) 837-9054

SCHROEDER-CRESS
3325 E. Washington
Madison, WI 53704
(608) 249-6666

OLSON-HOLZHUTER-CRESS
206 W. Prospect
P.O. Box 231
Stoughton, WI 53589
(608) 873-9244

OLSON-HOLZHUTER-CRESS
5801 Hwy. 51
P.O. Box 105
McFarland, WI 53558
(608) 258-9527

OLSON-HOLZHUTER-CRESS
201 Bue Street
P.O. Box 376
Deerfield, WI 53531
(608) 258-9527



CRESS FUNERAL SERVICE, INC.

"Service is Love and Concern in Action"



of business, in everyway imaginable. Right now in Wisconsin people are being solicited everyday by someone selling cemetery plots, vaults, Green Bay Packer caskets, discount cremation and burial plans, and final expense plans.

Unfortunately the only people that haven't been able to provide the consumer with information in any kind of direct way are funeral directors.

Funeral Directors, the man that lives down the street from you, your next door neighbor, the one that's been in business in your hometown forever, the one that buried your grandpa and grandma, the one you know by name, the only truly knowledgeable person out there regarding every aspect of death, disposition, products, medical assistance funerals, county funerals. Yet he's the only one that's not suppose to provide you, the consumer, with information over the phone. How if the consumer only hears from the cemetery or other third party people is the consumer going to make a truly informed decision. How, by restricting competition, is the consumer really going to get the best value for their money.

Competition, that's what the opponents to the Rule really fear, things are changing and they are afraid. The FTC instituted rules to promote competition in the Funeral Market Place and it has worked and it's frightening to some in our profession. As mentioned in the beginning of my

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Frautschi's)**
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CRESS FUNERAL SERVICE, INC.

"Service is Love and Concern in Action"



remarks, we've been in business since 1869, we at Cress Funeral Service are not about to do anything purposely that would jeopardize our reputation. If there is one thing that's more important than selling funeral merchandise or a pre-need plan, its Serving the family. Serving them today, tomorrow and in the years to come. It's our service and reputation that keep us in business, no Funeral Home is going to do anything intentionally to harm their reputation. The laws, rules, regulations, and the governmental consumer protection agencies are already in place. And if we should happen to do something wrong, you know where to find us, we're just down the street, unlike the third party tele-marketers, mail order sales people and the Internet Stores. The consumer, the families we serve, have the right to hear the whole story, they have a right to get all the information available to them, from the most knowledgeable person out there, the Funeral Director. Without all the information, without competition the only one hurt, is the consumer. That's why I, and the people I represent, support the Rule as written by the Funeral Directors Examining Board.

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CRESS**
201 Bue Street
P.O. Box 376
Deerfield, WI 53531
(608) 258-9527

Ritter

Larsen Bros.
FUNERAL HOMES

Caring Today and Tomorrow

4-23-97

Ritter-Larsen Bros.
Funeral Home
5310 W. North Ave.
Milwaukee, WI 53208
445-4212

Ritter-Larsen Bros.
Brookfield Funeral Home
1875 N. Calhoun Rd.
Brookfield, WI 53005
786-8030

Abe-Ritter-Larsen Bros.
Funeral Home
3621 W. Villard Ave.
Milwaukee, WI 53209
461-2225

Bistricky-Irsch-Grosse-Ritter
Larsen Bros. Funeral Home
6709 W. Capitol Drive
Milwaukee, WI 53216
463-3340

Leszczynski-Ritter
Larsen Bros. Funeral Home
726 E. Center St.
Milwaukee, WI 53212
562-6539

Ryczek-Larsen Bros.
Funeral Home
1910 W. Becher St.
Milwaukee, WI 53215
645-7410

Ryczek-Larsen Bros.
Cudahy Funeral Home
3774 E. Underwood Ave.
Cudahy, WI 53110
744-7377

Rudolph-Larsen Bros.
Waukesha Funeral Home
500 N. East Ave.
Waukesha, WI 53186
542-7111

Koelsch-Borgwardt-Larsen Bros.
West Allis Funeral Home
7626 W. Greenfield Ave.
West Allis, WI 53214
476-0052

Re = Rule 96-183

Telephone Solicitation

To: The Honorable Clifford Otte

I wish to put all of our
funeral homes on record as
being against the proposed
telephone solicitation rule.

Respectfully,

Dale Larson

Save

April 8, 1997

Representative Clifford Otte
P.O. Box 8953
Madison, Wisconsin 53708-8953

Dear Representative Otte::

Recently, while visiting with several of my friends, I mentioned the ad that features Ed McMahon for Colonial Penn Life Insurance that we see so often on T.V. I actually called for the information packet and, after receiving it, I concluded that it wasn't a very good deal because it was pretty expensive for what I was supposed to be getting. It turns out that the policy is one of those that require you to pay for a long time or it lapses. Additionally, it has a fixed death benefit, which is to say, it doesn't increase in value over time. One of my friends indicated that she had purchased a policy as a part of a prepaid funeral plan which she arranged through one of our local funeral homes. Her policy will pay for her funeral expenses when she dies, regardless of the cost.

I contacted the local funeral home and verified the information that my friend had shared with us. My interest in purchasing insurance at this time is to pay for my funeral expenses. Comparing the Colonial Penn policy to that offered by my funeral director clearly proved to me that the funeral home policy is better because it grows and will therefore cover any increase in cost that may occur between now and the time when it is needed to pay my funeral expenses.

I asked my funeral director why he wasn't advertising this type of program. He said that the law that will regulate the type of plan that he offers really isn't clear yet and that the legislature is involved in some hearings that will clarify what he can do to offer this type of plan to the public. He encouraged me to write to you to share my opinions and he gave me your address. I want you to know that we need to hear more about the good plans as an option to the type of stuff which we are encouraged to buy on T.V., which may be legal but is, in my opinion, close to a rip-off. I would ask you to bear this in mind as you do your hearings.

Sincerely,

Lucille Ostrem
Lucille Ostrem
Viroqua, Wisconsin

*Laverne & Lucille Ostrem
755 No Center
Viroqua Wis 54665*

Assembly

COMMITTEE HEARINGS

Committee on Consumer Affairs

The committee will hold a public hearing on the following items at the time specified below:

Thursday, April 24, 1997
9:00 a.m. to Noon
424 NE State Capitol


ADVANCE NOTICE

Clearinghouse Rule 96-183

Relating to the registration and regulation of agents authorized to represent funeral directors or funeral establishments in the sale or solicitation of burial agreements that are funded with the proceeds of a life insurance policy.

Submitted by the Department of Regulation and Licensing.

The Committee will conclude taking public testimony no later than 11:30 a.m. and may hold an executive session on CR 96-183 after taking public testimony.



Representative Clifford Otte
Chair

4-21-97

Samuel Suchon

Suchon Funeral Home
1317 ST. H 67
Plymouth
893-9797

- > opposes proposed CR 96-183
- > feels phone solicitation would be bad for the industry's image.

Lois Roisum

Wi. Assoc. of Life
and Health Insures

3 S Pine Key # 613

Madison 53703

258-1770 Office

258-1753 Fax

Copy of R+L
modifications

Sent - faxed
4-24-97

① David Welsh
Oregon

- in favor of original bill
- opposed to modifications which prohibit phone solicitation
- will be at hearing

② Mark Dravsky
Milwaukee

ditto

- will be at hearing

③ Diana Arens (sp?)

ditto

PRESS RELEASE

For Immediate Release.....March 28, 1997

OTTE PROPOSES ENDING "NEGATIVE BILLING"

Madison...It has probably happened each of us. You entered a sweepstakes, send for a free sample, or ordered some type of service. Next thing you know you are billed for services you never ordered, you receive products you did not order, or you are being billed at a higher cost. Chances are you did agree to this, but it was in the fine print or somewhere apart from the initial agreement. This practice is known as "negative billing".

Yesterday, the Assembly Committee on Consumer Affairs, chaired by State Representative Clifford Otte, (R - Sheboygan Falls), held a hearing on Assembly Bill 169, (introduced by Otte). The bill addresses the issue of "negative billing".

According to testimony presented by Jim Rabbit and David Ghilardi on behalf the Wisconsin Department of Agriculture, Trade and Consumer Protection, a significant number of the consumer complaints filed each year with the Bureau of Consumer Protection relate to negative options practices. The Bureau believes that they are the tip of the iceberg. Since

-continued-

4.23.97

Ms. Michelle Baumgartner

414.723.2457

will be at hearing

in favor of original rule +
opposed to modifications.

4-23-97

Mr. Andrew Wening

Milwaukee

opposed to new 18 month rule
modification to rule.

Will be at hearing

4-23-97

Marie Lesnick
912 Anchorage Court
Oshkosh WI 54901

Unable to make hearing
in favor of exam. board rules to allow
for phone solicitation.

Thank you.



February 27, 1997

Representative Clifford Otte
P.O. Box 8953
Madison, WI 53708

Dear Representative Otte:

We are proud to announce the formation of the Funeral Service Alliance of Wisconsin (FSA). FSA was established so that the funeral service industry of Wisconsin could better serve a public that trusts Funeral Directors with their most private and often most painful experience. To warrant that trust members of FSA have incorporated the following as our mission statement:

- ⇒ Providing a collegial environment for the discussion of contemporary issues affecting the professional interests of the membership.
- ⇒ Facilitating an educational process that will enhance the professionalism of the membership.
- ⇒ Developing a pro-active political presence that will insure that the interests of the membership are understood and well represented.
- ⇒ Creating those programs and services which are called for by the membership.

In the three months since FSA was established we have become the fastest growing Funeral Director's Trade Association in the nation. With over 250 Funeral Directors in total, FSA has the where-with-all to represent the members of the funeral service industry while strengthening the sacred trust of the families we serve. The citizens of Wisconsin expect and deserve the very best from funeral directors. The Funeral Service Alliance of Wisconsin is determined to form a partnership with legislators and regulators so together the families in our state will receive what they deserve, the very best from our funeral service providers.

Membership

The members of FSA come from every corner of the state. We have had tremendous good fortune in garnering support from three of the four largest firms in the state as well as some of the very smallest of family firms. We have membership representation from 102 communities throughout the state of Wisconsin (a list of which we have enclosed with this letter). FSA's membership is truly as diverse as the industry itself.


Issues

The issues our members have asked us to address are many. We will take our suggestions to you, the Legislature, one by one in the hopes of working with you for the good of all Wisconsin citizens.

During the next several months you will be hearing from our members. We may call on you to discuss a legislative or regulatory issue, or perhaps just for an introduction. Our goal at FSA is to have a working knowledge and healthy respect for each member of this Legislature.

If you require additional information regarding FSA or its management team please contact us at 608-251-8044.

Sincerely,



Robert J. Walczyk, Jr.
FSA President

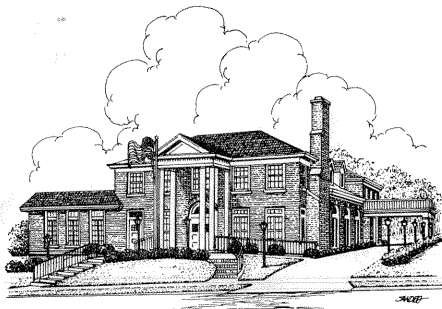
Best Regards,



Patrick Essie
FSA Executive Director

Communities Involved With The Funeral Service Alliance of Wisconsin

Algoma	Edgerton	Menomonee Falls	Shorewood
Almond	Fort Atkinson	Mequon	South Milwaukee
Amherst	Gays Mills	Middleton	Sparta
Antigo	Gillett	Milwaukee	Springfield
Appleton	Glendale Heights	Minocqua	St. Paul
Ashland	Green Bay	Mishicot	Stoughton
Athens	Hancock	Monroe	Sturtevant
Aurora	Hayward	Montello	Sun Prairie
Beaver Dam	Hillsboro	Mukwonago	Superior
Beloit	Holmen	Muscoda	Sussex
Benton	Horicon	Muskego	Tigerton
Birnamwood	Jackson	Necedah	Tomah
Bloomington	Janesville	Neenah	Viroqua
Blue River	Jefferson	New Berlin	Washburn
Brookfield	Kellnersville	Oconomowoc	Watertown
Bruce	Kendall	Oconto Falls	Waupaca
Cambridge	Kenosha	Onalaska	Waupun
Cassville	Kewaskum	Oregon	Wausau
Clintonville	LaCrosse	Oshkosh	Wautoma
Colby	Ladysmith	Pewaukee	Wauwatosa
Cross Plains	Lake Geneva	Portage	West Bend
Cuba City	Lancaster	Potosi	Westby
De Pere	Luxemburg	Poy Sippi	Westfield
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Deforest	Maintowoc	Randolph	Wild Rose
Delavan	Marathon	Reedsburg	Wisconsin Dells
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Edgar	McFarland	Richland Center	



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WEST BEND, WISCONSIN 53095
(414) 334-2301

Schmidt Funeral Homes



N 168 W 20135 MAIN STREET
JACKSON, WISCONSIN 53037
(414) 677-4993

February 15, 1997

Representative Clifford Otte
Chair, Assembly Committee on Consumer Affairs
P. O. Box 8953
Madison, WI 53708

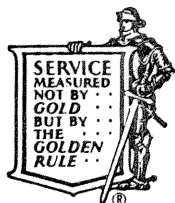
RE: Clearinghouse Rule 96-183

Dear Representative Otte:

I am writing to ask for your support in approving Clearinghouse Rule 96-183, which most likely will be sent to your committee. After years of confusion, with attempts at clarification through numerous opinions rendered by various Attorney Generals, and then the effort of the Legislature in passing Act 295, a majority in funeral service hoped for the proverbial light at the end of the tunnel. Now after countless hours have been expended to arrive at a fair and equitable rule which is 96-183, both on the part of the Funeral Service Examining Board and on the part of concerned funeral directors from throughout the state, we hope this issue of insurance-funded preneed funerals can finally become a legal reality.

The public is best served when rules exist to help them avoid unscrupulous marketeers and to assure a competitive marketplace where consumers are allowed to make comparisons and decisions. This rule would accomplish both of these objectives. Funeral directors in Wisconsin would be allowed to compete on a "level playing field" and consumers could hear the whole story about a subject that is already confusing to them. As you might know, a number of cemeteries and other third-party sellers in Wisconsin have already been telephone soliciting the sales and pre-funding of preneed funerals and funeral merchandise. But up to now in this telemarketing effort, the consumer has often not been getting the answers that a licensed funeral director could provide.

Some have expressed concern about possible funeral home abuse of this opportunity to solicit by telephone. Realistically, I can't see that any funeral home owner, or the owner of any other small business for that matter, would allow shoddy, unethical or high-pressure tactics



which might antagonize a potential clientele base and thus chance losing generations of future business. I know it would be unthinkable for us to jeopardize the reputation we worked years to establish in our community. That is illogical and would be business suicide.

Many members of the public really want to know about the preplanning of funerals, but are hesitant to initiate a call to a funeral home because of the frightening idea, to some, of facing their own death. This rule would allow funeral homes to telemarket preneed, if they choose to do so. Statistics from states which allow funeral home telemarketing show that nearly 100% of people who preplan through funeral home telephone solicitation are 100% satisfied. This is probably true because a funeral homes' personnel are typically as compassionate in telemarketing as they are at the time of a funeral. Those who wouldn't be are weeded out of the market by the public.


It would be competitively unfair to restrict funeral homes of their capability to telemarket preplanning when others in the marketplace are allowed to do this without restrictions and guidelines. Rule 96-183 allows funeral homes to equitably compete in the solicitation of preneed, so the public can be better served by potentially saving them money on funerals. Let me explain. When merchandise is presold by someone else, a casket store or a cemetery for instance, thereby eliminating the "profit" on the casket or vault sale from the funeral home, that funeral home will need to raise their service charge prices to compensate for this loss of profit. Historically most funeral homes have made all of their profit from merchandise sales.

The consumer would wind up paying the casket profit to the third party seller when they purchase the casket from this seller and then would also pay it to the funeral home in the form of a higher funeral service fee. With the equitable competition Rule 96-183 allows, the consumer might still pay a higher service fee if they choose to purchase merchandise from a third party seller, but they have the option to compare and then it would be their own decision.

The rule also requires any funeral home seller of preneed funded with insurance to inform the purchaser of the method for them to register any complaints [FD 6.07 (1)(k)] they might have. The Examining Board discussed their option of reviewing this rule in two years, or so, at which time the Board would analyze complaints received from the public, if any, and could make adjustments to the rule if necessary.

I appreciate the time you've taken to read this letter, and I respectfully ask for your support in approving Clearinghouse Rule 96-183 as recommended by the Funeral Service Examining Board. Thank you.

Sincerely,


Kenneth L. Schmidt
Schmidt Funeral Homes

The Dickinson Funeral Homes

23 April 1997

Assembly Committee on Consumer Affairs
P.O. Box 8953
Madison, Wisconsin 53708-8953

Dear Members of the Consumer Affairs Committee:

My name is Dean Dickinson. I am the President of the Dickinson Family Funeral Homes of LaCrosse.

This hearing is concerned with the question of whether or not a ban on the telemarketing of preneed funeral plans, marketed under the provisions of Wisconsin Act 295, is appropriate. The Funeral Directors Examining Board, charged with promulgating rules related to telemarketing, does not, the Federal Trade Commission does not and so help me, neither do I.

I am licensed by the State of Wisconsin as a funeral director. I am licensed by the State of Wisconsin as an insurance intermediary. Accordingly, and appropriately, my actions are subject to the rules and regulations of both the Department of Regulation and Licensing and the Office of the Commissioner of Insurance. I am the most regulated person in the preneed market today. I have my reputation on the line each time I deal with an individual, or a family, who seeks my professional advice. Unlike others who market preneed, be they casket stores, cemeteries or insurance sales people hustling final expenses policies, I will not only write the preneed contract, I will guarantee the delivery of the goods and services. I have twenty nine years of sweat equity built into the family funeral home that has been serving the LaCrosse market for forty two years and I simply must ask, is it too much to suggest that I should be allowed to compete with all of those who are also in the preneed market who are not licensed and not regulated and who, more often than not, do not, deliver on goods and services.

Act 295, is a strong law with a section on prohibited practices, mandated disclosures to the consumer and a section on the nature of the relationship between the funeral home (funeral director) and that person who is representing the firm in the marketplace. Those of us who asked for the Act 295, and worked for its passage, did so because there was a need to organize the laws, rules and regulations, governing the sale of a preneed funeral plan funded with an insurance policy. Act 295 doesn't break new ground but simply creates enforceable laws governing those of us who wish to engage in providing insurance funded preneed funeral contracts to the consumer.

Consider this. A ban on telemarketing by this segment of the market implies that the consumer is being provided enough information by those who are not governed by Act 295. In essence you will be telling the consumer to make their decisions concerning preneed funeral arrangements with the information available. How does a consumer with inadequate information about available prices and options make an informed decision that will meet his/her needs, at a fair price? How does a ban serve that consumer? The fact is, it doesn't.

Let the consumer decide the issue by continuing the conversation or hanging up the phone. It is as simple as that. I urge your support for the Funeral Directors Examining Board Clearing House Rule 96-183.

Sincerely,


Dean D. Dickinson

TELEPHONE 784-0135 - AREA CODE 608
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809 GILLETTE STREET, LA CROSSE, WISCONSIN 54603
401 MAIN STREET, ONALASKA, WISCONSIN 54650



The Dickinson Funeral Homes

8 April 1997

Representative Clifford Otte
P.O. Box 8953
State Capitol Building
Madison, Wisconsin 53708

Dear Representative Otte::

I am writing to you to ask for your support of Funeral Directors Examining Board Clearinghouse Rule 96-183.

The hearing before the Assembly Committee on Consumer Affairs on April 24, 1997, will deal, I believe, with the singular question of whether or not a ban on telemarketing of preneed funeral plans is appropriate. The Funeral Directors Examining Board does not believe that it is, the Federal Trade Commission does not believe that it is and neither do I.

I am licensed by the State of Wisconsin as a funeral director and as an insurance agent. Accordingly, and appropriately, my actions are subject to the rules and regulations of both the Funeral Directors Examining Board and the Office of the Commissioner of Insurance. As the most regulated person, dealing with preneed funeral arrangements, in the market today, I must be allowed to compete with those who are not regulated.

Who do I compete with and who is not regulated ? I compete with cemeteries which sell caskets and vaults, with insurance salespeople who sell very expensive burial expenses insurance and with memorial societies and potentially funeral merchandise stores. Since there is no prohibition on telemarketing by those with whom I compete, I would respectfully submit, there must not be a prohibition on my being able to telemarket. Aside from the question of equity, there is the more obvious point to be made that the consumer simply must be able to be able to receive information concerning the options available if he/she is to truly make an informed decision.

Act 295, dealing with preneed funeral plans funded with an insurance policy, is a strong law with a wonderful consumer oriented component. I supported the bill. I was one of the people who helped put the bill together. I understand the legislative intent and can state that a ban on telemarketing violates the very essence of Act 295.

As much as we may dislike the practice of telemarketing, more troubling to me is the notion that the government should decide who can call us and who we can call. Let the consumer decide the issue by continuing the conversation or hanging up. It's as simple as that.

Thank you for your consideration.


Dean D. Dickinson
President

LARSON FUNERAL HOME

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The Honorable Clifford Otte
P.O. Box 8953
Madison, WI 53708

Dear Mr. Otte:

On April 24, 1997 your Assembly Committee on Consumer Affairs will be holding a hearing on cold telephone solicitation in regards to Clearinghouse Rule 96-183. Originally the Funeral Directors Examining Board was in favor of a restriction on telephone solicitation, but at their February 12, 1997 meeting, reversed their earlier decision. Their reasoning was to give funeral directors equal opportunity, along with other sellers, to provide information to consumers on burial insurance. I am very much in favor of funeral homes being able to offer insurance, as a funding alternative, for funeral trusting. With the added telemarketing cold calling addition I feel it would become a nuisance for the citizens of our state, especially those elderly people who, in many cases, are easy prey for this kind of solicitation. I would urge you and your committee to request the Funeral Directors and Examining Board to reconsider their February 12th action and restore the proposal to it's original form, which prohibits telephone solicitation as the initial form of contact with consumers. Thank you for helping to protect the consumers of our fine state.

Sincerely


James R. Larson
Funeral Director

I am Mark Krause, Secretary/Treasurer of the Funeral Service Alliance of Wisconsin. The Alliance is for the original Funeral Director's Examining Board Clearing House Rules 96-183 and are against any modification that bans funeral homes from having an equal playing field with others in our industry. The Funeral Director's Examining Board has introduced rules that would allow telephone solicitation with an 18 month sunset that will stop funeral directors from telemarketing and allow casket stores, cemeteries, and final expense insurance providers to call consumers unrestricted. Banning telemarketing by the most restricted, regulated, educated, and professional segment of the funeral industry just does not make sense. This sunset would be injurious to both the consumer and the funeral industry.

There isn't a person in this room that would not agree that telephone solicitation is sometimes inconvenient. Then why do we want to support telemarketing?

First, banning telemarketing by any company that offers a service to the consumer is harmful. In many cases, telemarketing is the only way the consumer can receive accurate information. The new law clearly states that a ban on telephone solicitation would only be allowed if it protected the consumer. Banning telephone solicitation does not protect the consumer, but in fact is harmful. Many people want to prearrange their funeral but are hesitant to initiate the call because of the delicate subject matter.

Additionally, this law would only regulate funeral homes. The ban does not cover cemeteries, some of which sell caskets, burial vaults and **final expense insurance policies** by telemarketing to consumers. The law does not cover casket stores who are permitted to telemarket to consumers. The ban does not cover insurance agents who sell final expense policies by telemarketing to the consumer. This law cannot cover these providers because the Funeral Board has no power over them. Therefore, the consumer is harmed by not receiving complete, accurate information. Let me ask the question, Why would you want to eliminate the most regulated, professional, and educated piece of the funeral industry puzzle and have these other providers go unchecked?

Funeral homes are not fly by night operations. We can not just pull up stakes and move to a new town. Funeral homes are built on the foundation of taking care of families over generations. Our reputations are our most valued commodity. As a funeral provider, my concern is not just the immediate sale, but the long term satisfaction of the families we serve. If we were high pressuring people to purchase a pre-arranged, insurance funeral, we would be subjecting ourselves to a backlash that undermines our whole purpose of being. As a small business owner, I am deeply concerned with the satisfaction of my clientele.

One reason for the Funeral Service Alliance working hard to help mold this law is competition. We believe that if the consumer is offered a product that is in their benefit, they win. We also believe that if we, as individual funeral directors,

choose to offer a product that is in the consumers best interest, we win. Competition gives the consumer the best product at the best price.

If funeral homes are banned from contacting the consumer, hundreds of thousands will hear only the cemetery side, the casket store side, or the view point of the insurance agent who sells final expense policies. The consumer will only hear the funeral director's side after it is too late, often when they over-spent or been under-served. This is not protecting the consumer. The intent of this new law was to offer choices to the consumer, not to limit options.

The argument that pre-need funeral home representatives take advantage of the elderly is flawed and reactionary. It is presumptuous to think that just because someone is elderly, they can not or do not make wise decisions. Maybe they do know what is best for themselves. Rarely does an elderly person do any of this by them self. In most situations, a relative or a close friend is assisting them. In fact, any funeral home that has been successful in pre-need, is highly uncomfortable meeting only with the elderly consumer. Pre-arranging actually drives down the average age of the pre-need funeral consumer. The use of insurance funding requires a 30 day free look at the consumers option. This wonderful safeguard is already in place. Funeral decisions must be made at some point in time. Let us not regulate away an option that allows the consumer to make decisions when emotions can be removed. Let us not regulate away an option that promotes price and service comparison by the consumer.

The Funeral Service Alliance of Wisconsin and Krause Funeral Home, asks you to use wisdom and vision to see how a sunset ban on solicitation not only harms the consumer you are entrusted to protect, but is the foundation for the extinction of small funeral homes. Large cemeteries, casket stores, and third party insurance providers have the resources to swallow up the local neighborhood funeral homes, thus eliminating another option for the consumer. Let us please set aside any personal preferences we may have in against telemarketing and be insightful enough to see that the intent of Act 295 was to offer this important and necessary option, not to strangle it out of practical use with restrictions and unwise regulation.