



October 1, 2025

Senator Kerry Gruenhagen
Government Oversight Committee

Representative Charley Thomson
Government Oversight Committee

RE: Annual report regarding the regulation of preneed funerals and perpetual care cemeteries

Dear Senator Gruenhagen and Representative Thomson:

In accordance with Iowa Code §§ 523A.801 and 523I.201, the Iowa Insurance Division (“Division”) is pleased to submit this report regarding the regulation and oversight of the Cemetery and Funeral Merchandise and Funeral Services Act and the Iowa Cemetery Act. This report will provide updates on the Division’s role as the court-appointed Receiver of the Joyce Funeral Home and Linwood Cemetery, and the Division’s comprehensive review of its regulatory and oversight efforts.

Joyce Funeral Home Receivership

In June of 2020 the Division was appointed receiver of the Joyce Funeral Home located in Emmetsburg, Iowa. This Receivership occurred after the Division’s investigation revealed thousands of dollars meant to fund future funeral merchandise and services for Iowa consumers had failed to be deposited in trust, as required by law. The Division previously reported on the Division’s liquidation and claims processing efforts. While administering the receivership, the Division recovered cremated human remains that were unclaimed. During the last year, the Division recommended and was approved by the court to retain Martin-Mattice Funeral Home for the purpose of burying the unclaimed remains and purchasing markers for these burials.

Division expenditures for the Joyce Funeral Home Receivership in fiscal year 2024 were \$7,533.15. The Division did not have any expenditure during fiscal year 2025. The total expenditures for the Receivership, granted in June of 2020, total \$74,466.86.

Linwood Cemetery Receivership

In July of 2020 the Division was appointed receiver of Linwood Cemetery, a perpetual care cemetery in Dubuque, Iowa. The Division became receiver after there was no private entity willing or able to assume responsibility for the cemetery and while the courts determined the applicable governmental subdivision responsible for the care of Linwood Cemetery.

In April of 2024 the Iowa Court of Appeals ruled that Linwood Cemetery was wholly and exclusively within the City of Dubuque and that the City was the governmental subdivision with jurisdiction over the cemetery. Subsequently, the Division recommended to the court the duty to preserve and protect Linwood Cemetery be transferred to the City of Dubuque and the receivership be terminated. The court

approved the Division's request, and the receivership was terminated effective July 1, 2025. The expenditure for the Receivership, granted in July of 2020, totaled \$573,720.66.

Comprehensive Review

During the last year I directed executive leadership to conduct a comprehensive review of our regulatory and oversight efforts of preneed funerals and perpetual care cemeteries. Division leadership, with input from stakeholders, identified opportunities to enhance our regulatory effectiveness and improve efficiencies to benefit both regulated entities and the Division. As a result, the Division is recommending legislative changes, modernizing the licensing and annual reporting systems, and streamlining annual reporting requirements.

Proposed legislative changes include removing mandatory examinations in favor of a risk-based approach and eliminating two requirements for governmental subdivisions operating perpetual care cemeteries. Additionally, the Division is working to replace its legacy Salesforce system with existing technological systems for licensing and annual reporting, aiming for a user-friendly interface and redesigned reporting templates that support a risk-based regulatory model.

Conclusion

The Division's comprehensive review supports modernization of both the legislative and operational components of the current regulatory framework. A shift toward a risk-based oversight model will enhance the Division's ability to regulate effectively and more efficiently, while bringing administrative efficiencies to preneed funeral license holders and perpetual care cemeteries.

As we continue to identify regulatory solutions to some of the issues faced by preneed funeral license holders and perpetual care cemeteries, we will bring them to your attention. Please let me know if you have any questions.

Respectfully,



Doug Ommen
Commissioner of Insurance

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