

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
CORPORATIONS, SECURITIES & COMMERCIAL LICENSING BUREAU

In the matter of:

LANGELAND FAMILY CREMATION CENTER, INC.
Crematory
Unregistered

ENF-22-020076

Respondent.

_____ /

Issued and entered
This 30th day of June, 2022

NOTICE AND ORDER TO CEASE AND DESIST

This matter came before the Cemetery Commissioner (the “Commissioner”) for the State of Michigan following an investigation conducted by the Corporations, Securities & Commercial Licensing Bureau (the “Bureau”) on behalf of the Commissioner. Based on her statutory authority and responsibility to administer and enforce the Michigan Cemetery Regulation Act, MCL 456.521 *et seq.* (the “Cemetery Act”), the Commissioner orders Langeland Family Cremation Center, Inc. (“Respondent”), to cease and desist from violating the Cemetery Act, including but not limited to, establishing a crematory without a valid permit and operating a crematory without a valid registration issued under the Cemetery Act. Respondent is also notified of the opportunity to request a hearing in this matter.

I. BACKGROUND

1. Langeland Family Cremation Center, Inc. (Business Entity ID# 802198675) incorporated under the Business Corporation Act, MCL 450.1101 *et seq.*, in Michigan on May 21, 2018, indicating its purpose in its Certificate of Organization filed with the Bureau’s Corporations Division as “to provide the necessary appliances for the disposal by cremation of bodies of the dead and for purposes of purchasing land for a crematorium.” It also operated a crematory facility located at 6628 Tall Oaks Drive, Kalamazoo, Michigan 49007. Attached as Exhibit 1 are certified copies of its business entity filings.

- Heritage of Michigan, LLC (Business Entity ID# 802700617) organized in Delaware with a certificate of authority to transact business in Michigan under the Michigan Limited Liability Company Act, MCL 450.4101 *et seq.*, since July 9, 2021, with an assumed name of Langeland Family Funeral Homes Burial and Cremation Services.

II. FINDINGS OF FACT

- On May 23, 2022, the Bureau received an application under the Occupational Code, MCL 339.101 *et seq.*, from Langeland Family Funeral Homes Burial and Cremation Services, Heritage of Michigan, LLC, Owner, indicating a change of ownership for Langeland Family Funeral Homes Westside Chapel, a licensed funeral establishment located at 3926 S. 9th Street, Kalamazoo, Michigan 49009.
- On May 25, 2022, a Bureau investigator reviewed Langeland Family Funeral Homes Burial and Cremation Services' apparent website, www.langelands.com, which originally included reference to a crematory using the name "Langeland Family Cremation Center," but were later removed. Screenshots of the website are attached as Exhibit 2.
- On May 26, 2022, a Bureau investigator conducted a prelicensure inspection of the funeral establishment, discovering an operating crematory facility, identified through signage as "Langeland Cremation Center," located at 6628 Tall Oaks Drive and directly behind the funeral establishment located on S. 9th St. in Kalamazoo, which the investigator inspected. The two buildings share a common parking lot.
- While onsite, the Bureau's investigator interviewed Norman Langeland, who verbally authorized the investigator to enter the cremation facility and take photos and videos.
- Upon entry, the Bureau investigator found one dead human body within the walk-in cooler of the crematory facility awaiting cremation, one cremation retort for dead human bodies, and one cremation retort for pets.¹ Upon notification that the crematory could not continue to operate without a registration under the Cemetery Act on May 26, 2022, Langeland Family Funeral Homes Memorial Chapel moved the body to its funeral establishment located at 622 S. Burdick St. in Kalamazoo, and an agent on behalf of the crematory facility represented that the facility ceased operations.
- Paperwork reviewed by the Bureau's investigator demonstrated that the crematory facility cremated 13 dead human bodies between May 13, 2022, and May 25, 2022.
- Further investigation revealed that Langeland Family Cremation Center, Inc. began operating the crematory facility located at 6628 Tall Oaks Drive in Kalamazoo on or about August 31, 2019, under the supervision or management of Gregory N. Langeland and that it cremated more than 2,000 dead human bodies since its inception.

¹ A cremation retort is the chamber where the cremation of a deceased body takes place.

10. The Bureau's investigation revealed that no one on behalf of the crematory facility filed an application for a permit to establish a crematory from that location with the Bureau or otherwise notified the Bureau that the property and assets associated with it were being used as a crematory for human remains before the Bureau's May 26, 2022, site visit.
11. To date, no one on behalf of the crematory facility holds a registration under the Cemetery Act. Attached as Exhibit 3 is a detailed verification of registration status under the Cemetery Act for Langeland Family Cremation Center, Inc.

III. RELEVANT STATUTORY PROVISIONS

12. MCL 456.529 (5) provides, in part:

(5) When it appears to the commissioner that a person or registrant has engaged in, or is about to engage in, any act or practice constituting a violation of this act or a rule promulgated or order issued under this act, the commissioner may do 1 or more of the following:

- (a) Issue a cease and desist order.
- (b) Accept an assurance of discontinuance of the violation.
- (c) Bring an action in the circuit court for the county in which the person resides or in the circuit court for the county of Ingham, to enforce compliance with this act or a rule promulgated or order issued under this act.

13. MCL 456.522(a)(iii) defines "cemetery" to include "a crematory for the cremation for human remains."

14. MCL 456.532 provides in relevant parts and subparts:

- (1) A person shall not establish a cemetery without a valid permit or operate an existing cemetery except under a valid registration issued under this act.
- (2) If a person proposes to purchase or otherwise acquire a controlling interest in an existing cemetery company, that person shall first apply to the commissioner for a certificate of approval of a proposed change of control of a cemetery company. The application shall contain all of the following:
 - (a) The name and address of the proposed new owner or operator.
 - (b) A sworn statement from the seller attesting to the assets and liabilities related to the cemetery, including all trust accounts and the value of those accounts.
 - (c) Sworn statements from both the seller and the purchaser stating who will assume the assets and liabilities related to the cemetery.

- (d) A sworn statement that the principal from the endowment and perpetual care trust accounts will be held in escrow for 6 months from the later of the following:
 - (i) The commissioner's approval of the application.
 - (ii) The close of the sale of a controlling interest in the cemetery owner or the sale of a substantial portion of the assets of the cemetery owner.
 - (iii) The transfer of title of the cemetery.
 - (e) Any other information the commissioner requires.
- (3) The commissioner shall issue a certificate of approval for a change of control only after he or she is satisfied that the proposed new cemetery owner or operator is qualified by good moral character, experience, and financial stability, responsibility, and security to control and operate the cemetery in a legal and proper manner, and that the interest of the public generally will not be jeopardized by the proposed change in ownership and management. The application for a purchase or change of control must be accompanied by an initial filing or investigation fee of \$1,500.00.
- (4) If a person fails to comply with this section, the commissioner may do any of the following if a transfer of controlling interest is found to have taken place without prior commissioner approval:
- (a) Suspend or revoke the registration of the cemetery.
 - (b) Issue a cease and desist order or other order requiring a person to immediately take remedial action as prescribed by the commissioner.
 - (c) Seek injunctive or other equitable action from a court of competent jurisdiction.
 - (d) Take other appropriate action until the person purchasing or otherwise acquiring a controlling interest in an existing cemetery, purchasing an existing cemetery, or otherwise acquiring the cemetery demonstrates compliance with this section or divests itself of any interest or control of the cemetery.

* * *

- (7) As used in this section, "controlling interest" means the capability to decide the operating and financial policies of the cemetery company or to select the officers or directors with majority control of the cemetery company.

15. MCL 456.533 provides:

- (1) Any person desiring to establish a cemetery shall file with the commissioner, on forms furnished by the commissioner, an application for a permit to establish a

cemetery. The application shall be accompanied by a nonrefundable investigation fee of \$1,500.00.

(2) After a receipt of an application, the commissioner shall conduct an investigation pertaining to the physical plans, the community need for the planned cemetery, and pertinent information pertaining to the applicant's experience, financial security, responsibility, and stability, ability, and good moral character and the source, nature, and amount of consideration to be used in the purchase of the cemetery. If the applicant is not an individual, the same investigation shall be made of the owners, directors, officers, partners, members, or any person occupying a similar status or performing similar functions, or any affiliated person.

(3) A cemetery company shall immediately notify the commissioner of any change in its directors, officers, partners, members, affiliated persons, or any persons occupying a similar status or performing similar functions. If after investigation the commissioner determines that any new director, officer, partner, member, affiliated person, or a person occupying a similar status or performing a similar function does not have suitable experience, financial security, responsibility, and stability, ability, and good moral character, the commissioner shall order the cemetery company to void the appointment of the director, officer, partner, member, affiliated person, or any persons occupying a similar status or performing a similar function.

16. MCL 456.522 defines the following terms:

(r) 'Cemetery owner' means the person who has title to the cemetery.

(s) 'Operator' means any of the following:

(i) A person, an officer of a person, a partner of a person, or a member or manager of a limited liability company, who holds more than 50% voting rights in a cemetery owner.

(ii) A person who is a member of the board of directors of a cemetery owner, a partner in a cemetery owner, or a member or manager of a limited liability company that is a cemetery owner.

(iii) An administrative official of the cemetery owner or the person described in subparagraph (i), comparable to a chief administrative officer, chief executive officer, or chief financial officer.

(t) 'Affiliated person' means a person directly or indirectly controlling the cemetery and includes all of the following:

(i) A person who holds at least 50% interest in a cemetery.

(ii) A person who is a member of the board of directors or a cemetery owner, a partner in a cemetery owner, or a member or manager of a limited liability company that is a cemetery owner.

(iii) A person who is an officer of the person who holds at least 10% interest in a cemetery corporation or other entity having control of the cemetery.

17. MCL 456.538, provides, in part:

(1) The commissioner may deny an application filed under this act and refuse to issue a permit or registration, or may suspend or revoke a permit or registration, or may reprimand, place on probation, or take other disciplinary action against the applicant if the commissioner's investigation reveals facts which, with reference to the establishment of a cemetery, show inappropriate physical plans; lack of community need; inadequate experience, financial stability, or integrity to protect the public welfare; or when the commissioner finds that the cemetery owner, operator, or applicant or the officers, cemetery owners, directors, members, affiliated persons, or general manager of those entities has done 1 or more of the following:

* * *

(b) Not complied with this act.

IV. CONCLUSIONS OF LAW

18. Beginning on or about August 31, 2019, Langeland Family Cremation Center, Inc. established a crematory facility located at 6628 Tall Oaks Drive in Kalamazoo without filing an application for a permit to establish a crematory consistent with MCL 456.533, in violation of MCL 456.532(1) and 456.538(b).
19. From at least August 31, 2019, to May 26, 2022, Langeland Family Cremation Center, Inc. operated a crematory facility located at 6628 Tall Oaks Drive in Kalamazoo without a valid registration, in violation of MCL 456.532(1) and 456.538(b).

V. ORDER

IT IS THEREFORE ORDERED, under MCL 456.529(5)(a) and MCL 456.532(4)(b) that:

- A. Respondent shall immediately CEASE AND DESIST from further violating the Cemetery Act, as set forth above, and shall immediately cease all operations requiring a registration under the Cemetery Act at the facility located at 6628 Tall Oaks Drive, Kalamazoo, Michigan 49007, unless and until the Commissioner approves a registration application for that location under the Cemetery Act.
- B. The Commissioner, under MCL 456.532a(2) intends to impose an ADMINISTRATIVE FINE of \$10,000.00 against Respondent, under MCL 456.538(3), payable within 60 days of the date that this order becomes final.
- C. This CEASE AND DESIST ORDER IS IMMEDIATELY EFFECTIVE.
- D. Under MCL 456.541, a person who violates the Cemetery Act is guilty of a misdemeanor punishable by a fine of not more than \$10,000.00. If the violator is an individual, the offense is punishable by a fine of not more than \$10,000.00 or imprisonment for not more

than 1 year, or both. **ACCORDINGLY, FAILURE TO COMPLY WITH THIS ORDER MAY SUBJECT RESPONDENT TO THESE ADDITIONAL CRIMINAL SANCTIONS, FINES, AND/OR PENALTIES.**

- E. Under MCL 456.536(20), the Commissioner shall advise the attorney general of the failure of a person to pay an administrative fine imposed under MCL 456.536. The attorney general may bring an action in a court of competent jurisdiction for the failure to pay an administrative fine imposed under MCL 456.536.
- F. The Commissioner retains the right to pursue further civil or administrative action against Respondent under the Cemetery Act if the Commissioner determines that such action is in the public interest and is authorized by the provisions of the Cemetery Act.

VI. NOTICE OF OPPORTUNITY FOR HEARING

Respondent has thirty (30) days beginning with the first day after the date of service of this **NOTICE AND ORDER TO CEASE AND DESIST** to submit a written request to the Commissioner asking that this matter be scheduled for a hearing. If the Commissioner receives a written request in a timely manner, the Commissioner will schedule a hearing. The written request for a hearing must be addressed by mail, fax, or email to:

Corporations, Securities & Commercial Licensing Bureau
Regulatory Compliance Division
P.O. Box 30018
Lansing, MI 48909
Email: CSCL-FOIA@michigan.gov
Fax: (517) 763-0040

VII. ORDER FINAL ABSENT HEARING REQUEST

- A. Respondent's failure to submit a written request for a hearing to the Commissioner within 30 days after the service date of this **NOTICE AND ORDER TO CEASE AND DESIST** will result in this order becoming a **FINAL ORDER** by operation of law. The **FINAL ORDER** includes the imposition of the administrative fine described in section V.B. The amount set forth below is due to the Commissioner within 60 days after the date this order becomes final:

\$10,000.00 – imposed against Langeland Family Cremation Center, Inc., under MCL 456.538(3).

- B. If the ADMINISTRATIVE FINE is paid by check or money order, it must be made payable to the STATE OF MICHIGAN and contain identifying information (e.g., Respondent's name and ENF-22-020076) and mailed to the following address, consistent with "Payment Instructions" that will be separately served on Respondent:

Corporations, Securities & Commercial Licensing Bureau

Final Order Monitoring – Securities & Audit Division
P.O. Box 30018
Lansing, MI 48909

Information about how to open an online account to submit license applications or payments by debit or credit card or how to use an existing online account to make a fine or audit costs payment to the Department may be found by visiting www.mi.gov/MiCLEAR. All other communications and documentation may be directed to the Department's Final Order Monitoring area at the above address or by email to LARA-CSCL-Order-Monitoring@michigan.gov.

- C. Failure to comply with the terms of this Order within the time frames specified may result in additional administrative penalties, including fines, the denial of future applications for registration or change of control, until full compliance is made.
- D. Failure to pay the administrative fine within six (6) months after it becomes overdue may result in the referral of the fine to the Michigan Department of Treasury for collection action against Respondent.

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS

/s/ Linda Clegg

Linda Clegg
Cemetery Commissioner and
Corporations, Securities & Commercial Licensing Bureau Director

6/28/22

Date