STATE OF MINNESOTA
BEFORE THE OFFICE OF ADMINISTRATIVE HEARINGS
AND THE DEPARTMENT OF HEALTH

STIPULATION AND
CONSENT ORDER

In the Matter of the Revocation and
Administrative Penalty Order Issued to
Steven J. Almlie

This Stipulation and Consent Order ("Stipulation") is entered into by the Minnesota
Department of Health ("Department") and Steven J. Almlie ("Almlie"), licensed mortician and
former owner of Almlie Funeral Homes. The parties stipulate to the following:

1. The Department is charged with enforcement of Minnesota Statutes,
Chapter 149A ("Chapter 149A"), which governs the practice of mortuary science. The
Department is authorized, by Minnesota Statutes section 149A.06, subdivision 1, to take
enforcement action against any person and/or entity subject to Chapter 149A for any violation of
Chapter 149A, including laws related to the removal, preparation, transportation, arrangements
for disposition, final disposition of dead human bodies, and preneed arrangements for funeral
services. This enforcement authority includes the authority to issue correction orders;
administrative penalty orders; cease and desist orders; authority to revoke the license of a
mortician for, among other reasons, violating the laws regulating the arrangements for the
disposition or final disposition of dead human bodies and for engaging in unprofessional
conduct; refuse to reissue or limit a license or permit, or to seek injunctive relief for violations of
Chapter 149A or laws and rules governing the removal, preparation, transportation, arrangements
for final disposition of dead human bodies, or for the regulation of the practice of mortuary
science.
2. The purpose of this Stipulation is to resolve the May 15, 2019, Revocation and Administrative Penalty Order ("APO") issued to Almlie for violation of Chapter 149A, to resolve the violations alleged in paragraphs 8, 10-13 below, and to resolve Almlie’s request for a contested case hearing, OAH Docket No. 71-0900-36193.

3. Pursuant to Minnesota Statutes section 149A.70, subdivision 7(6),(7), Unprofessional conduct, “No licensee or intern shall engage in or permit others under the licensee’s or intern’s supervision or employment to engage in unprofessional conduct. Unprofessional conduct includes, but is not limited to: (6) intentionally misleading or deceiving any customer in the sale of any goods or services provided by the licensee; (7) knowingly making a false statement in the procuring, preparation, or filing of any required permit or document.”

4. Pursuant to Minnesota Statute section 149A.97, subdivision 1, Purpose and intent, “It is the intent of the legislature that this section be construed as a limitation upon the manner in which a funeral provider is permitted to accept funds in prepayment of funeral services or burial site services to be performed in the future or in prepayment of funeral or burial goods to be used in connection with the final disposition of human remains. It is further intended to allow members of the public to arrange and pay for funeral goods, funeral services, burial site goods, or burial site services for themselves and their families in advance of need while at the same time providing all possible safeguards so that the prepaid funds cannot be dissipated, whether intentionally or not, so as to be available for the payment of the services and goods selected.”

5. Pursuant to Minnesota Statute section 149A.97, subdivision 5, Deposit of trust funds and disclosures, “Within 15 calendar days after receipt of any money required to be held in
trust, all of the money must be deposited in a banking institution, savings or building and loan association, or credit union, organized under state or federal laws, the accounts of which are insured by an instrumentality of the federal government. The money must be carried in a separate account with the name of the depositor and the purchaser as trustees for the beneficiary. The depositor as trustee shall not have power to distribute funds, either principal or interest, from the account until the death of the beneficiary, subject to section 149A.80.”

6. Pursuant to Minnesota Statute section 149A.97, subdivision 7, Reports to commissioner, “Every funeral provider lawfully doing business in Minnesota that accepts funds under subdivision 2 must make a complete annual report to the commissioner. The reports may be on forms provided by the commissioner or substantially similar forms containing, at least, identification and the state of each trust account, including all transactions involving principal and accrued interest, and must be filed by March 31 of the calendar year following the reporting year along with a filing fee of $25 for each report. Reports must be signed by an authorized representative of the funeral provider and notarized under oath.”

7. The Department has licensed Almlie and has issued him license number M-3015. Almlie owned and operated Almlie Funeral Homes from 1995 to May 2014, when he sold the funeral home. Almlie Funeral Homes had locations in Tracy, Balaton, and Westbrook, Minnesota.

8. On July 24, 2015, the Department received a complaint alleging that Almlie had misappropriated the pre-paid burial funds of multiple individuals. Almlie allegedly received payment for pre-paid burial funds and used the funds for his personal use instead of keeping the funds in trust for use at the time of death.
9. On June 21, 2016, the Department began investigating the complaint concerning Almlie.

10. The Department, through its investigation, determined that for fourteen pre-paid burial accounts, for which Almlie received payment—in the amount of $79,521.87—did not have an associated trust account, nor did Almlie submit documents to an insurance company, or create a valid trust account for the funds, in violation of Minn. Stat. §§ 149A.70, subd. 7; .97, subds. 1-2, 5. The Department also found that Almlie failed to submit annual reports to the Department accounting for all of these pre-need funds, as required by Minn. Stat. § 149A.97, subd. 7.

11. The Department, through its investigation, determined that Almlie entered into contracts for the sale of burial goods, collected the consumers’ money for each order, but failed to have the contracted work completed, in violation of Minn. Stat. § 149A.70, subd. 7.

12. The Department, through its investigation, also found that Almlie entered into an agreement in late 2014 to make payments to reimburse the pre-need account funds he misappropriated and to reimburse the new owners for the cost of resolving the incomplete contracted work.

13. On May 15, 2019, the Department issued Almlie an APO based on his failure to comply with multiple sections of Chapter 149A. Pursuant to Section 149A.06 of the Minnesota Statutes, the Department ordered Almlie to pay a non-forgivable administrative penalty in the amount of $140,000 for his violations of Chapter 149A.

14. On June 5, 2019, the Department received Almlie’s written request for a contested case hearing regarding the APO.
15. Based on the Department’s findings, Almlie understands and acknowledges that he has violated multiple sections of Chapter 149A.

16. The following order is in the public interest.

17. NOW, THEREFORE, the Department and Almlie have agreed to an informal disposition of this matter without a hearing and in the interest of avoiding further delay, expense, and uncertainty of pursuing the pending contested case to its final resolution, and in consideration of the mutual terms, conditions, and promises contained herein, the parties stipulate and agree as follows:

1. **Compliance with Minn. Stat. Ch. 149A.** Almlie reaffirms his commitment to comply with the requirements of Minn. Stat. Ch. 149A.

2. **Withdrawal of Request for Hearing.** Almlie’s request for a contested case on the May 15, 2019, APO, docketed as OAH No. 71-0900-36193 is hereby WITHDRAWN.

3. **Dismissal of OAH Case.** The contested case on the May 15, 2019, APO, docketed as OAH No. 71-0900-36193 is hereby DISMISSED WITH PREJUDICE.

4. **Admission of Liability.** The violations contained in this Stipulation and the May 15, 2019, APO are hereby ADMITTED by Almlie.

5. **Revocation of License.** The mortician license, license number M-3015, issued to Almlie is hereby REVOKED and shall not be reinstated. Almlie shall not at any time apply to renew his revoked licensed or apply for any other license issued by the Department now and forever.

6. **Reduction in Civil Penalty Imposed.** The $140,000 civil penalty is hereby REDUCED to $60,000.

7. **Payment of Civil Penalty.** Almlie shall PAY the reduced civil penalty of $60,000.
8. **How Payments are Made.** Almlie shall pay $60,000 by making consecutive irrevocable monthly payments to the Department in the amount of $250 each on or before the fifteenth of each month for 20 years beginning on February 15, 2020. Almlie’s payment shall continue until the $60,00 debt is paid in full.

9. **Where Payments are Made.** Almlie shall make the monthly payments required by the Stipulation by certified check or money order payable to “Minnesota Department of Health.” Payments shall be sent to Manager of the Mortuary Science Section, Minnesota Department of Health by the due date each month at the following address:

Minnesota Department of Health
P.O Box 64882
St. Paul, MN 55164-0882

10. **Additional Payment.** Almlie may make additional payments at any time. Any accelerated payments that Almlie makes, however, will not excuse Almlie from making any required monthly payment or from making payment in full pursuant to this Stipulation. Almlie’s entire obligation, or any remaining portion of it, may be paid in full at any time without penalty. Almlie shall make a good-faith effort to increase his monthly payments to the Department as his financial circumstances permit.

11. **Failure to Pay.** Almlie’s failure to make any payments required by this agreement by the due date shall constitute a default. In the event that Almlie defaults, and said default continues for a period of 14 days, the Department may refer the debt to the Minnesota Department of Revenue (“MNDOR”), or any other source of collection. When this determination for a penalty becomes public and the Department refers the penalty to MNDOR, Almlie acknowledges that MNDOR is authorized by Minnesota Statutes section 16D.17 to obtain a judgment against Almlie in favor of the Department without further notice or proceeding.
for the total amount of the penalty, as described in paragraph 7 above, less any payments, which may have been made prior to the time of the default. Additionally, Almlie agrees that the judgment may and shall include the costs and disbursements incurred in confessing the judgment. Almlie shall also be liable for the interest at the legal rate on any judgment confessed.

12. *Fees and Costs.* The parties agree that, with the exception of the civil penalty and fees described in paragraphs 6–8, and 11 above, the parties are not entitled to and shall not seek from any court any other monetary relief or compensation, including damages or other fees, costs, expenses or disbursements in connection with the issues raised in the APO, and the appeals and requests for hearing on those documents and that, except to the extent stated in this Stipulation, the parties are responsible for their own fees, costs, and expenses.

13. *Pending Investigations.* All parties acknowledge that this Stipulation resolves all issues raised in the APO, and the appeals and requests for hearings related to those matters. All parties acknowledge that this Stipulation does not resolve any other complaints regarding Almlie currently pending before the Department and does not preclude the Department from investigating and/or disciplining Almlie for any future complaints or violations of Minn. Stat. Ch. 149A.

14. *Failure to Comply.* If Almlie fails to comply with any of the terms in the Stipulation, the entire remaining obligation, as described in paragraph 7, shall immediately become due and payable, less any payments which may have been made prior to Almlie’s failure to comply with any terms of this Stipulation. Such obligation may be referred to MNDOR as described in paragraph 11 above. Nothing herein shall be construed to limit the Department’s authority to take future actions against Almlie for additional violations of Chapter 149A.
15. **Binding Effect.** This Stipulation is binding. The parties acknowledge that they have been advised that (1) the other parties have no duty to protect their interests or provide them with information about their legal rights; (2) signing this Stipulation may adversely affect their legal rights; and (3) they should consult an attorney before signing this Stipulation if they are uncertain of their rights.

16. **Government Data.** All signatories to this Stipulation acknowledge that the Department’s release of information concerning this matter from the files of the Department is governed by Minn. Stat. Ch. 149A, the Minnesota Government Data Practices Act (Minn. Stat. Ch. 13) and the Official Records Act (Minn. Stat. Ch. 15).

17. **Entire Agreement.** This Stipulation constitutes the entire agreement between and among the parties. This Stipulation supersedes any and all prior agreements. No modification shall be binding on any of the parties unless it has been agreed to by the parties in writing, signed by them and identified as an amendment to this Stipulation. There are no inducements or representations leading to the execution of this Stipulation except as herein explicitly contained. If any part of this Stipulation is rendered invalid by a court of competent jurisdiction, the rest of the Stipulation shall still remain in force.

18. **Voluntary and Knowing Action.** The parties to this Stipulation acknowledge that they have read and understand the terms of this Stipulation, that they have been represented by legal counsel or had the opportunity to retain legal counsel, and that they are voluntarily entering into this Stipulation to resolve the dispute among them.

19. **Counterparts.** This Stipulation may be executed in one or more counterparts, each of which shall be deemed an original.
20. **Wavier.** Almlie agrees to waive all causes of action, proceedings before the Department, claims against the Department and its staff in their individual or official capacity, or further proceedings, including but not limited to all claims for attorneys fees, costs, and disbursements, to which it may be entitled under the Minnesota and/or United States Constitutions, statutes, or rules, in connection with the APO.

21. **Venue.** Any disputes regarding the meaning of this Stipulation or actions to enforce this Stipulation shall be venued in Ramsey County District Court, St. Paul, Minnesota.

22. **Warranty.** The persons signing this Stipulation warrant that they have full authority to enter into this Stipulation on their own behalf or on behalf of the party or parties that each represents, and that this Stipulation is valid and enforceable as to that party.

23. **Effective Date.** This Stipulation shall be effective upon the date it is signed by all of the parties.

The parties have caused this Stipulation to be signed on the dates opposite their signatures.

**Dated: 1/20/2020**

By: 

[Signature]

Steven J. Almlie (License No. M-3015)
1531 330th Avenue
Tracy, Minnesota 56175

**Dated: 1/27/2020**

By: 

[Signature]

Michelle Larson
Division Director
Health Regulations Division
Minnesota Department of Health
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