Legislative Analysis



MORTUARY SCIENCE LICENSE FEES

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Bill 1182 as enacted Public Act 334 of 2020 Sponsor: Sen. Jim Stamas

Analysis available at http://www.legislature.mi.gov

House Committee: Government Operations [Discharged]

Senate Committee: Regulatory Reform

Complete to 2-9-21

SUMMARY:

Senate Bill 1182 amends the State License Fee Act to revise annual license fees for mortuary science, funeral director, and funeral home establishment licensees as follows:

Mortuary science

fee through 9-30-21: \$40 beginning 10-1-21: \$77.50 beginning 10-1-23: \$115 beginning 10-1-25: \$152.50

Funeral director

previous fee: \$40 under the bill: \$30

Funeral home establishment

fee through 9-30-21: \$55 beginning 10-1-21: \$107.50 beginning 10-1-23: \$160 beginning 10-1-25: \$212.50

The bill does not change the \$30 annual license fee for embalmers or resident trainees.

The bill took effect December 29, 2020. It could not have taken effect if House Bill 4437 had not also been enacted into law. House Bill 4437 was enacted as 2020 PA 265.¹

MCL 338.2243

FISCAL IMPACT:

Senate Bill 1182 would have a significant fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) by increasing revenue to the Licensing and Regulation Fund. Expenditures for mortuary science regulation currently exceed licensure revenues,

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¹ https://www.legislature.mi.gov/documents/2019-2020/billanalysis/House/pdf/2019-HLA-4437-ADF98472.pdf

and the fee revisions included in this bill would narrow that deficit. LARA indicated that expenditures for the regulatory program totaled approximately \$615,600 in FY 19 and \$993,000 in FY 20 (with the FY 20 increase attributed to higher volumes of enforcement actions). The fees are collected on a biennial cycle and deposited to the Licensing and Regulation Fund; the department indicated that revenue for FY 19 was \$164,862, and for FY 20 it was \$113,295. Based on figures reported by the department, expenditures over the two-year period totaled approximately \$1.6 million and revenues were approximately \$278,000, resulting in a \$1.3 million deficit. LARA indicated that under the fee schedule established in the bill, biennial revenue would be projected at \$486,680 in 2021, \$722,870 in 2023, and \$959,060 in 2025. The bill would not have an impact on expenditures by state units of government and would have no fiscal impact on local units of government.

Legislative Analyst: Rick Yuille Fiscal Analyst: Marcus Coffin

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[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.