



Senate Fiscal Agency
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Senate Bill 1182 (Substitute S-1 as reported by the Committee of the Whole)
Sponsor: Senator Jim Stamas
Committee: Regulatory Reform (discharged)

CONTENT

The bill would amend the State License Fee Act to modify the occupational license fees for mortuary science, funeral establishment, funeral director, and resident trainee.

Currently, the Act prescribes the following license fees:

- Mortuary science, if paid after September 30, 2023, \$30.
- Mortuary science, beginning October 1, 2003, through September 30, 2023, \$40.
- Funeral establishment, \$55.
- Funeral director, if paid after September 30, 2023, \$30.
- Funeral director, beginning October 1, 2003, through September 30, 2023, \$40.
- Resident trainee, if paid after September 30, 2023, \$15.
- Resident trainee, beginning October 1, 2003, through September 30, 2023, \$30.

Under the bill, the license fees, instead, would be as follows:

- Mortuary science, beginning October 1, 2003, through September 30, 2021, \$40.
- Mortuary science, if paid after September 30, 2021, \$67.50.
- Mortuary science, if paid after September 30, 2023, \$95.
- Mortuary science, if paid after September 30, 2025, \$122.50.
- Funeral establishment, beginning October 1, 2003, through September 30, 2021, \$55.
- Funeral establishment, if paid after September 30, 2021, \$102.50.
- Funeral establishment, if paid after September 30, 2023, \$150.
- Funeral establishment, if paid after September 30, 2025, \$197.50.
- Funeral director, \$30.
- Resident trainee, \$30.

The bill is tie-barred to House Bill 4437, which would amend Article 18 (Mortuary Science) of the Occupational Code to modify licensure requirements to practice mortuary science.

MCL 338.2243

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have a significant positive fiscal impact on the Department of Licensing and Regulatory Affairs (LARA) and no fiscal impact on local units of government. Currently, LARA spends more funds in the regulation of mortuary science licensing than it receives in fee revenue from those licensees. These fees are deposited in the Licensing and Regulation Fund. Mortuary Science and Funeral Establishment licenses make up about 96.0% of all licenses issued in in the mortuary science category in a given cycle.

For fiscal year 2018-19, LARA estimated a revenue shortfall related to mortuary science licenses of approximately \$87,000. Under the bill, LARA estimates that the scheduled fee increases would decrease this shortfall each licensing cycle and would ensure a positive Fund balance in the 2025 licensing year. Departmental projections suggest that under the new fee structure, revenue would exceed expected expenditures by approximately \$90,000 in that licensing cycle. These projections assume a standard annual cost increase of 3.0%. Without new fee increases, the revenue shortfall would continue to increase.

Date Completed: 12-10-20

Fiscal Analyst: Elizabeth Raczowski