



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [Sub. H.B. 481 of the 129th G.A.](#) **Date:** May 10, 2012
Status: As Reported by House State Government & Elections **Sponsor:** Rep. Hackett

Local Impact Statement Procedure Required: No

Contents: Authorizes the Board of Embalmers and Funeral Directors to place licenses on inactive status, issue courtesy cards to funeral directors from bordering states, and makes other changes

State Fiscal Highlights

- The bill allows licenses issued by the Board of Embalmers and Funeral Directors to be placed on inactive status at the license holder's request. Individuals regulated by the Board can hold more than one type of license. As a result, there may be a gain or loss in license revenue, depending on the choices made by license holders. The Board is supported by various license fees that are deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90).
- The bill allows the Board to issue courtesy cards to licensed funeral directors in bordering states that will authorize them to perform limited services in Ohio. As a result, there may be both a minimal increase in administrative costs and a minimal gain in revenue depending on how the Board chooses to administer the courtesy card program.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

Overview

The bill makes various changes to laws governing embalmers and funeral directors and the licensing practices of the Board of Embalmers and Funeral Directors. The Board is one of several in the state that deposit license and registration fees into the Occupational Licensing and Regulatory Fund (Fund 4K90). This funding pool is used to cover the operating expenses of these various boards. The Board of Embalmers and Funeral Directors renews licenses on a biennial basis in odd-numbered fiscal years.

Two of the provisions in the bill could have some fiscal effect on the Board. The first of these is a provision that authorizes the Board to place licenses on inactive status, allowing licensees in good standing to exit the licensed practice temporarily. In addition to this change, the bill authorizes the Board to issue courtesy cards to licensed funeral directors in bordering states. Courtesy cards would allow those funeral directors to perform limited funeral-related services in Ohio. The potential fiscal effects of these two provisions are described in more detail below.

Placing licenses on inactive status

The bill allows license holders to request that their licenses be placed on inactive status. Licenses eligible for inactive status under the bill would include: (1) embalmers, (2) embalming facilities, (3) funeral directors, (4) funeral homes, and (5) crematory facilities. Individuals whose licenses are placed on inactive status may not return to active status for a minimum of two years from the date inactive status is granted. Returning a license to active status requires the licensee to pass the applicable examination for each type of license and pay a reinstatement fee of \$140 for each license being activated. Under current law, a licensee who seeks to temporarily exit the industry must either keep licenses current by taking required continuing education classes and paying the applicable biennial license renewal fee, or allow the licenses to lapse. Reinstating a lapsed license under current law requires the licensee to pay the regular renewal fee plus \$50 for each full or partial month elapsed since expiration of the license. Creating the inactive license category may result in either gains or losses in license revenue depending upon the choices individuals make concerning the status of their licenses. Additionally, the Board may incur minimal administrative costs associated with inactive licenses.

Issuing courtesy cards

The bill also allows the Board to issue courtesy cards to licensed funeral directors in bordering states that will permit those directors to perform limited services in Ohio. Specifically, the bill gives the Board discretion in determining fees and other conditions under which courtesy cards will be issued after taking into account whether and under what conditions and fees such bordering states issue similar courtesy cards to funeral

directors licensed in Ohio. The specific effect on costs and revenues would depend on how the Board chooses to exercise the discretion to issue courtesy cards; however, there would likely be some minimal increase in administrative costs and some minimal gain in revenue as a result of this provision.

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