



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

**Bill #** HB0139

**Title:** Act Revising Death Certificate Fees

**Primary Sponsor:** T. Welch

**Status:** As Introduced

- Significant Local Gov Impact     
  Needs to be included in HB 2     
  Technical Concerns  
 Included in the Executive Budget     
  Significant Long-Term Impacts     
  Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$132,536	\$132,536	\$134,524	\$136,542
<b>Revenue:</b>				
General Fund	\$132,536	\$132,536	\$134,524	\$136,542
State Special Revenue	\$132,536	\$132,536	\$134,524	\$136,542
<b>Net Impact-General Fund Balance:</b>	<u>\$132,536</u>	<u>\$132,536</u>	<u>\$134,524</u>	<u>\$136,542</u>

**Description of fiscal impact:** HB 139 directs a portion of the revenue for the issuance of death certificates or copies of same, received by Montana counties and Department of Public Health and Human Services, be deposited in the state special revenue fund for the Board of Funeral Services, within the Department of Labor and Industry. The bill requires the board to report on the use of the revenue and fees charged to the Economic Affairs Interim Committee. The bill prohibits the board from lowering fees as a result of any impact the increased revenue might cause. The fiscal impact of this bill results in increased revenue to the Board of Funeral Services, which per assumptions 9 and 10 would facilitate a transfer of the revenue to the general fund.

### FISCAL ANALYSIS

#### Assumptions:

#### **Department of Labor and Industry**

1. The board is required to report to the Economic Affairs Interim Committee. In the past, the department has supplied the committee with information on the status of the special revenue account for the board and fees charged as a funding source for the board. Board members were not required to attend, thus saving the cost

of board member travel and per diem. It is assumed this practice will continue unless the committee requests board members be present.

2. This legislation grants rule making authority to the board, however, upon review, it appears the statutory language in the bill provides enough guidance that rulemaking is likely unnecessary.
3. Montana Association of Counties (MACO) requested information from Montana counties on the number of death certificates issued in 2020. Based on those responses, MACO determined that there were an estimated 105,097 death certificates and certificate copies issued by all counties statewide. MACO further estimates that of that number, 25% were original certificates and 75% were additional copies requested.
4. This legislation requires counties to increase the cost of a death certificate to \$7 from \$5, with \$2 to be sent to the Department of Labor and Industry for the Board of Funeral Services, and to increase the cost of a death certificate copy to \$6 with \$1 to be sent to the board. Based on assumption three, this would equate to the board receiving \$52,549 in revenue from original death certificate fees, and \$78,823 from death certificate copy fees. The total estimated annual revenue increase equals \$131,372.
5. The Department of Public Health and Human Services (DPHHS) provides certified death certificates as requested and copies of certified death certificates. This legislation would increase the cost of a certified death certificate to \$16 with \$1 to be transferred to the Board of Funeral Services and increases the cost of a certified certificate copy to \$14 with \$1 to be transferred to the Board of Funeral Services.
6. Based on the actual number of certificates and certificate copies DPHHS issued in 2020, the board estimates receiving \$1,164 in revenue from DPHHS.
7. The total revenue increase to the Board of Funeral Services is estimated to be \$132,536.
8. According to DPHHS statistics, population increases correlates to an anticipated increase in the death rate. Therefore, a 1.5% inflationary factor has been applied to FY 24 and FY 25 revenue assumptions.
9. The bill does not prohibit the board from increasing fees but Section 1 (3) does prohibit the board from reducing licensing fees to offset revenue produced by the receipt of death certificate fees. Existing revenues from fees cover existing expenses, so no further expenditures are shown.
10. Since there are no additional expenses anticipate, and Section 1 (4) of the bill requires excess funds to be deposited to the general fund, it is assumed that all new revenue received would be deposited to the general fund from the state special fund at the end of each fiscal year.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<b><u>Fiscal Impact:</u></b>				
<b><u>Expenditures:</u></b>				
Transfers	\$132,536	\$132,536	\$134,524	\$136,542
<b>TOTAL Expenditures</b>	<b>\$132,536</b>	<b>\$132,536</b>	<b>\$134,524</b>	<b>\$136,542</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$132,536	\$132,536	\$134,524	\$136,542
<b>TOTAL Funding of Exp.</b>	<b>\$132,536</b>	<b>\$132,536</b>	<b>\$134,524</b>	<b>\$136,542</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$132,536	\$132,536	\$134,524	\$136,542
State Special Revenue (02)	\$132,536	\$132,536	\$134,524	\$136,542
<b>TOTAL Revenues</b>	<b>\$265,072</b>	<b>\$265,072</b>	<b>\$269,048</b>	<b>\$273,084</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$132,536	\$132,536	\$134,524	\$136,542
State Special Revenue (02)	\$0	\$0	\$0	\$0

**Effect on County or Other Local Revenues or Expenditures:**

1. Revenues to the counties would increase based on the costs of death certificates and copies going up. The proceeds from Section 2(m) for filing of a death certificate and for certified copies and additional certified copies, but the proceeds of those increases would be transferred to the Board of Funeral Services, under the Department of Labor and Industry. Net increase to Counties, if any, would be from Section 2(m)(iii) for any additional amounts determined by each county that would be charged for an original death certificate.

**NOT SIGNED BY SPONSOR**

Sponsor's Initials

1/19/21

Date

KA

Budget Director's Initials

1/19/21

Date