



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

**Bill #** HB0139

**Title:** Revise death certificate fees to fund board of morticians and funeral services

**Primary Sponsor:** Welch, Tom

**Status:** As Amended in House Committee

- 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 Difference</u>	<u>FY 2023 Difference</u>	<u>FY 2024 Difference</u>	<u>FY 2025 Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$211,358	\$211,358	\$214,528	\$217,746
<b>Revenue:</b>				
General Fund	\$211,358	\$211,358	\$214,528	\$217,746
State Special Revenue	\$211,358	\$211,358	\$214,528	\$217,746
<b>Net Impact-General Fund Balance:</b>	<u>\$211,358</u>	<u>\$211,358</u>	<u>\$214,528</u>	<u>\$217,746</u>

**Description of fiscal impact:** This legislation directs a portion of the revenue from the issuance of death certificates or copies of same, received by Montana counties and Department of Public Health and Human Services, to be deposited in the state special revenue fund for the Board of Funeral Services to be used for general administration of the board, and requires the board to report to the economic interim affairs committee on the status of the special revenue account and fees charged as a funding source for the board. The fiscal impact of the bill is an increase in revenue to the board. The bill prohibits the board from lowering fees as a result of any fiscal impact that the increase in revenue might cause.

### FISCAL ANALYSIS

#### Assumptions:

1. The board will be required to report to the Economic Affairs Interim Committee. When the board was requested to report to the committee in the past, the Division Administrator for Business Standards Division, supplied the committee with information as requested 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 and as

a result, saved the board in travel and per diem costs. 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 and while some rules may be necessary in the future, current statutory language should provide enough guidance for the board to make immediate rulemaking unnecessary, therefore no costs are included.
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 state counties. MACO further estimates that of those copies issued, 25% were original certificates and the remainder were additional copies requested.
4. This legislation raises the cost of death certificate copies from \$5 to \$7, of that amount, \$2 will be transferred to the Board of Funeral Services, state special revenue account.
5. Based on the total number of copies issued in 2020, it is assumed the board will receive estimated revenue in the amount of \$210,194 annually, based on \$2 per copy x 105,097 copies.
6. The Department of Public Health and Human Services, (DPHHS), provides certified death certificates as requested and copies of certified death certificates. This legislation states the minimum fee for each certified death certificate shall be \$16 and each informational copy shall be \$14, with \$1 for any copies, being transferred to the state special revenue account for the Board of Funeral Services.
7. DPHHS states that most funeral service agreements include a specified number of death certificate copies in the total cost. While certificates and copies can be requested through DPHHS, the requests are normally made through the counties of residence. Based on the actual number of requests for certificates and certificate copies in 2020, the amount of revenue that would have been deposited to the Board of Funeral Services account was \$1,164.
8. Total revenue increase to the Board of Funeral Services is estimated to be at a minimum \$211,358 based on \$1,164 from DPHHS and \$210,194 from Montana counties.
9. It is assumed there will be increases to the number of death certificates requested and as a result, revenue generated. An inflationary factor of 1.5% has been added to fiscal years 2024 and 2025.
10. This legislation prohibits the board from lowering fees because of receiving revenue from the issuance of death certificates. This legislation also requires all monies in excess of the amount allowed for board costs to be deposited to the state general revenue fund. Since there are no additional expenses anticipated, and 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. To the extent that these revenues are used by the Board of Funeral Services, the general fund transfer would be reduced.
11. The board could reach an excess cash situation up to two times their appropriation, where death certificate monies as well as licensing fees would be deposited to the state general fund.

	<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	\$211,358	\$211,358	\$214,528	\$217,746
<b>TOTAL Expenditures</b>	<b>\$211,358</b>	<b>\$211,358</b>	<b>\$214,528</b>	<b>\$217,746</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$211,358	\$211,358	\$214,528	\$217,746
<b>TOTAL Funding of Exp.</b>	<b>\$211,358</b>	<b>\$211,358</b>	<b>\$214,528</b>	<b>\$217,746</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$211,358	\$211,358	\$214,528	\$217,716
State Special Revenue (02)	\$211,358	\$211,358	\$214,528	\$217,746
<b>TOTAL Revenues</b>	<b>\$422,716</b>	<b>\$422,716</b>	<b>\$429,056</b>	<b>\$435,462</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$211,358	\$211,358	\$214,528	\$217,716
State Special Revenue (02)	\$0	\$0	\$0	\$0

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

1. Revenue to Montana counties would increase based on the cost of death certificates and copies going up. The net effect to counties would be zero as the amount of increase would be transferred to the state special revenue account of the Board of Funeral Services.

Sponsor's Initials

2/27/21

Date

Budget Director's Initials

2/26/21

Date