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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

S.B. 224
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 224's Bill Analysis](#)

Version: As Introduced

Primary Sponsor: Sen. Cirino

Local Impact Statement Procedure Required: No

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Highlights

- The bill increases the license reactivation fee for embalmers and funeral directors from \$140 to \$200, matching the current licensing and renewal fee for active permits. This may result in some small revenue gains for the State Board of Embalmers and Funeral Directors (FUN), deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90).
- The bill expands the methods by which the \$10 preneed funeral contract fee may be paid to FUN. This may result in some minimal reduction in processing costs from these payments. The Board is also required to adopt additional rules related to these contracts, which may result in some minimal administrative costs.

Detailed Analysis

Overview

The bill makes several modifications to the laws pertaining to funerary services. Overall, the State Board of Embalmers and Funeral Directors (FUN) may experience some minimal additional costs related to these changes. However, any such costs would appear to be offset through some potential small revenue gains also related to the changes in the bill. The bill modifies the laws pertaining to preneed funeral contracts, as well as various provisions for funeral professionals related to facility operations, licensing, and recordkeeping. Those provisions with fiscal impact are discussed in greater detail below. Details of all the bill's provisions can be found in the LSC bill analysis.

Licensing changes

The bill increases the fee for the reactivation of a license for an embalmer or funeral director from \$140 to \$200, thereby matching the existing licensing fee for these two permits. This may result in some small revenue gains to the Board, which would be deposited into the Occupational Licensing and Regulatory Fund (Fund 4K90). Ultimately, any revenue gains from this fee increase would depend on the number of inactive licenses that are reactivated. As of the beginning of FY 2022, FUN had 1,907 active embalmer licenses and 2,569 active funeral director licenses.

The bill modifies provisions related to licenses from out of state. The bill requires, rather than permits, the Board to approve an application for licensure of an embalmer or funeral director, from an out-of-state individual, if that person provides proof of requisite qualifications from another state. This could potentially result in the approval of a license that may have otherwise been denied under the current permissive authority, however, any such cases would appear to be rare. As such, any additional license revenue gains would likely be negligible.

Preneed funeral contracts

The bill modifies several aspects of the preneed funeral contract law. Under current law, the Board charges and collects a \$10 fee for each preneed funeral contract, except those funded through an existing insurance policy. The bill expands the list of potential methods by which an applicable entity may pay this fee, to include debit or credit card, check, money order, or cash. This may reduce the processing costs for the Board when collecting this fee. This \$10 is deposited into the Preneed Recovery Fund, a custodial fund used to reimburse purchasers of preneed funeral contracts who have suffered financial loss as a result of misconduct in connection with the sale of those contracts. As of the beginning of FY 2022, the cash balance of the fund was approximately \$800,000, and FUN had paid around \$30,000 for seven claims.

The bill additionally requires the Board to establish preneed funeral contract rules pertaining to requirements for sale of preneed funeral goods and services, the content of preneed funeral contracts, and the payment and administration of preneed funeral funds. There may be some minimal costs for promulgating these rules. The bill contains changes to other facets of preneed funeral contracts pertaining to unpaid and excess preneed funeral contracts, cemetery reporting, and mistaken payees of the contracts. These provisions have no fiscal impact.