

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0196	Date: February 2, 2015
Prime Sponsor(s): Sen. Baumgardner Rep. Ginal	Bill Status: Senate Business, Labor and Technology
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BILL TOPIC: SUNSET MORTUARY SCIENCE REGULATION

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017	
This bill changes and continues a program that would otherwise end July 1, 2015, so the fiscal note shows the new and continuing fiscal impacts.	New	New	Continuation
State Revenue	\$0	\$99,899	
Cash Funds			99,899
State Expenditures	\$4,726	\$92,809	
Cash Fund	4,726		92,809
FTE Position Change			0.7 FTE
Appropriation Required: \$4,726 - Department of Regulatory Agencies (FY 2015-16).			

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

The bill continues the registration of funeral homes and crematories by the Director of the Division of Professions and Occupations (DPO) in the Department of Regulatory Agencies (DORA) until July 1, 2024, and implements certain recommendations of the sunset review, including:

- clarifying the chain of custody for human remains by requiring a funeral establishment to get an attestation of identity before taking possession of the remains; and
- changing the subject of certain regulation from a cremationist to a crematory, which is a registered entity.

Background

On behalf of the Director of the DPO, the Colorado Office of Funeral Home and Crematory Registration regulates funeral homes and crematories in the state under the Mortuary Science Code to ensure processes like embalming, refrigeration, and cremation are taking place according to standards. To register, a funeral home or crematory must have a designated employee responsible for code compliance; a specific facility location; and provide a list of services. There are about 200 funeral homes and 60 crematories registered with the DORA.

Fiscal Impact of Programs Set to Expire

This bill continues a program in the DORA that is set to repeal, effective July 1, 2015. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. To account for the wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2016-17, one year after the repeal date. There is no need for an appropriation of the \$92,809 base funding in FY 2015-16, since the program's authorization has not yet expired, and ongoing funding for the program is included in the department's base budget request.

The state revenue and state expenditures impact for FY 2016-17 reflects the program's anticipated fee revenue and base budget request beginning that year. Based on base budget request for the program, continuing cash fund expenditures are expected to be \$92,809 and 0.7 FTE in FY 2015-16, while fee revenues are expected to be \$99,899. New cash fund expenditures are expected to be \$4,726 in FY 2016-17, and are described below.

State Expenditures

The DORA is estimated to incur one-time costs of \$4,726 in FY 2015-16 paid from the DPO Cash Fund for rulemaking. This is based on 50 hours of legal services at a rate of \$94.51 to promulgate rules regarding the chain of custody of human remains.

Effective Date

The bill takes effect July 1, 2015, and applies to acts committed on or after said date.

State Appropriations

For FY 2015-16, the DORA requires an appropriation of \$4,726 from the Division of Professions and Occupations Cash Fund. The Department of Law requires \$4,726 in reappropriated funds.

State and Local Government Contacts

Coroners

Counties

Regulatory Agencies