



Senate Fiscal Agency
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BILL ANALYSIS

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Senate Bill 544 (Substitute S-3 as reported)
Senate Bill 545 (as reported without amendment)
Sponsor: Senator Veronica Klinefelt
Committee: Regulatory Affairs

CONTENT

Senate Bill 544 (S-3) would establish licensure and registration for dead human body refrigeration facilities and dead human body removal services that operate independently of a funeral establishment or crematory. The Department of Licensing and Regulatory Affairs (LARA) would have to issue a refrigeration facility license or a removal service certificate of registration to an applicant that met specified requirements and whose facility or transport vehicle passed LARA's initial inspection. Licensees and registrants would have to continuously meet standards prescribed by the bill, and LARA could conduct random inspections on facilities and vehicles. The bill also would require a licensed refrigeration facility to comply with the Estates and Protected Individuals Code in its final disposition of a dead human body. Senate Bill 545 would prescribe the following fees for the proposed licensure and registration.

Fee Type	Amount
Application Processing Fee	\$225
License/Registration Fee	\$300, every two years
Initial Inspection Fee	\$300
Additional Vehicle Inspection Fee	\$50

Proposed MCL 339.1851-339.1873 (S.B. 544)
Proposed MCL 338.2243a (S.B. 545)

BRIEF RATIONALE

According to testimony, dead body removal services have gained prominence over the last few years, and it is thought that these businesses will continue to grow because the State has an aging population. It has been argued that establishing further regulations regarding the removal of dead human bodies is necessary to ensure public safety and the safety of employees of these businesses.

FISCAL IMPACT

The bills would have an indeterminate fiscal impact on LARA and no fiscal impact on local units of government. The Department would receive, review, and process applications for licenses and registrations.

It is likely that existing staff within the Corporations, Securities, and Commercial Licensing Bureau could assume a portion of the new responsibilities required under SB 544; however, prior to fee increases enacted by Public Act 334 of 2020, there was a revenue shortfall associated with the mortuary science licensing program. While the legislation addressed the shortfall, it is possible that costs associated with the new licenses and registrations could exceed revenue from fees. One or more additional FTE authorizations could be necessary to complete this work; however, this and other costs would depend upon the volume of

applications received and licenses and registrations renewed. The average annual cost of an FTE is approximately \$137,500. The Department also would inspect facilities and vehicles and would have to establish an identification system for dead bodies. The additional expenditures are currently indeterminate but possibly could result in a request for additional appropriations.

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