

HB 2120 STAFF MEASURE SUMMARY

House Committee On Business and Labor

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Sub-Referral To: Joint Committee On Ways and Means

Meeting Dates: 2/3, 3/8

WHAT THE MEASURE DOES:

Increases the death report filing fee imposed by the State Mortuary and Cemetery Board from \$20 to \$30.

No revenue impact

Fiscal statement has been issued

ISSUES DISCUSSED:

- Broadened definition of indigent deceased person
- Use of reserves allows Board to continue providing \$500 reimbursement to funeral practitioners for final disposition of indigent deceased people

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

A licensed funeral service practitioner that takes custody of the body of an indigent person must promptly verify whether attempts were made to notify relatives and interested persons, if any, and to arrange for payment. If no attempts were made, a funeral practitioner must make attempts within five days, and if no one is found or comes forward, the body may then be claimed for research or education purposes. If a body remains unclaimed, the funeral practitioner may then cremate or bury the deceased and seek reimbursement from the State Mortuary and Cemetery Board Account. This account is funded through a \$20 death report filing fee that is collected by the Board. Of the \$20 fee, \$6 must be used by the Board to reimburse funeral establishments for the reasonable costs for disposition of the body of any unclaimed deceased indigent person. The method of disposition must be in the least costly and most environmentally sound manner that complies with law. The death report filing fee was last increased in 2009 (House Bill 2244) when the fee was increased from \$7 to \$20, with amount funding the indigent disposition program increasing from \$2 to \$6.

In 2015, House Bill 3243 expanded the definition of indigent persons, moved responsibility for collecting the death certificate filing fee from the Oregon Health Authority to the Mortuary and Cemetery Board, and moved responsibility for reimbursing funeral practitioners from the Department of Human Services to the Board. House Bill 3243 did not change the death filing fee or the portion of it that reimburses funeral practitioners.

In early 2020, the Board determined that they lacked the funds to reimburse funeral practitioners the standard amount of \$500; in June 2020, the Board dropped the reimbursement to \$20 but resumed reimbursing at the amount in July. An audit by the Secretary of State dated December 2020 identified "deficiencies in the design of the board's controls that could potentially increase the risk of misappropriating licensing and death filing fee revenues, which is the board's primary source of funding, and the risk that Indigent Disposition Program funds are not spent in accordance with statute."

House Bill 2120 increases the death report filing fee imposed by the Board from \$20 to \$30, with all of the increase directed to the reimbursement of funeral establishments for the disposition of unclaimed deceased indigent persons.

This summary has not been adopted or officially endorsed by action of the committee.