

FISCAL IMPACT OF PROPOSED LEGISLATION

81st Oregon Legislative Assembly – 2021 Regular Session
Legislative Fiscal Office

Measure: HB 2120

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Date: March 8, 2021

Measure Description:

Increases death report fee imposed by State Mortuary and Cemetery Board.

Government Unit(s) Affected:

Oregon Mortuary and Cemetery Board (OMCB)

Summary of Fiscal Impact:

Costs related to the measure may require budgetary action - See analysis.

Analysis:

House Bill 2120 increases the death report filing fee that is imposed and collected by the State Mortuary and Cemetery Board from \$20 to \$30 for each report. The board shall deposit the amount received into the State Mortuary and Cemetery Board Account, established under ORS 692.375. The amount of the fee increase shall be used to reimburse funeral establishments for the dispositions of unclaimed deceased indigent persons. The fee increase applies to any fee imposed on or after the measure takes effect on January 1, 2022.

At the outset, it is worth noting that the measure is similar to Policy Option Package #101 in the State Mortuary and Cemetery Board's budget request for 2021-23, except the measure would be effective for only 18 months of the biennium.

The measure is intended to stabilize the Indigent Disposition Program (IDP) Fund. The IDP provides funeral establishments and immediate dispositions companies with reimbursement for costs incurred while providing services for the disposition of indigent decedents. Under current law, the family or person paying for a decedent's final disposition is required to pay a death filing fee of \$20 to a funeral establishment or immediate disposition company, the latter of whom then remits the fee to the State Mortuary and Cemetery Board.

In Fiscal Year 2020, IDP reimbursement claims exceeded death filing fee revenues causing the IDP Fund to operate at a deficit. According to the board, the deficit in 2020 combined with the projected annual increase of reimbursement claims have created the need for the death filing fee increase in this measure. The fee increase is anticipated to raise \$728,873 Other Funds in revenues for the 2021-23 biennium.

Due to the administrative fee increase, the measure warrants a subsequent referral to the Joint Committee on Ways and Means for consideration of its impact on the State Mortuary and Cemetery Board's biennial budget in 2021-23.