Regulatory Analys	sis Form	This space for use by IRRC 2504 MAR SO AND IN 35	
(1) Agency		Akada wa masalogi	
Department of State, Bureau of Pro Occupational Affairs, State Board			
(2) I.D. Number (Governor's Office Use)			
16A-4810		IRRC Number: 2397	
(3) Short Title			
Limited license			
(4) PA Code Cite	(5) Agency Contacts & Telephone Numbers		
49 Pa. Code, §§ 13.1, 13.12, 13.77	Primary Contact: Thomas A. Blackburn, Counsel, State Board of Funeral Directors (717) 783-7200 Secondary Contact: Joyce McKeever, Deputy Chief Counsel, Department of State (717) 783-7200		
(6) Type of Rulemaking (check one)	(7) Is a 120-D Attached?	ay Emergency Certification	
X Proposed Rulemaking Final Order Adopting Regulation Policy Statement	, _	ne Attorney General ne Governor	
(8) Briefly explain the regulation in clear	and nontechnical language.	,	
The regulation implements the iss June 22, 2000 (P.L. 376, No. 48) (a director from another state to entransporting and burying dead hurwould not authorize the out-of-state hold himself or herself out as a fur	Act 48). A limited licer ter into Pennsylvania man bodies and directi te funeral director to m neral director in Pennsy	nse would authorize a funeral for the purpose of removing, ng funerals. A limited license aintain an establishment or to lvania.	
(9) State the statutory authority for the re	gulation and any relevant st	ate or federal court decisions.	
The regulatory amendments are a Director Law (Act), Act of Januar 479.9(c), 479.16(a).			

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. Act 48 added Section 9(c) to the Act and authorized the Board to enter into an agreement with the licensing authority of another state to permit limited licenses. Act 48 also authorized the Board to promulgate regulations to implement the issuance of limited licenses, including the establishment of fees.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

In enacting the limited license provisions of Act 48, the General Assembly recognized the compelling public interest in permitting a funeral director licensed in another state to enter Pennsylvania for limited purposes.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

The General Assembly recognized the public health, safety, environmental or general welfare risks associated with nonregulation when it enacted the limited license provisions of Act 48.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

A funeral services customer who requires that the decedent be brought across the state line for removal from Pennsylvania or burial in Pennsylvania will benefit from being able to utilize the services of the out-of-state funeral director with a limited license in Pennsylvania. An out-of-state funeral director who received a limited license will benefit by being able to provide these services. Pennsylvania funeral directors who obtain equivalent limited licenses in other states and funeral services customers will receive similar benefits under Act 48.

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

Pennsylvania funeral directors may lose removal or burial business to out-of-state funeral directors who obtain limited licenses in Pennsylvania. However, many out-of-state funeral directors are already fully licensed in Pennsylvania and currently provide the services discussed in response to questions 13 and 14, so the loss of business to Pennsylvania funeral directors might not be significant. The Board has identified no other group of individuals or entities that will be adversely affected by the regulation.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

All persons seeking to obtain a limited license in Pennsylvania will be required to comply with the regulation. The Board has not yet entered into any agreements with other states to permit issuance of limited licenses and cannot approximate the number of people who would apply for a limited license.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

In June, 2001, the Board solicited exposure draft comments from the Pennsylvania Funeral Directors Association (PFDA) and all individuals who had attended any Board meeting during the preceding year. PFDA commented that the Board should clarify whether the continuing education it refers to in § 13.77(b) is in Pennsylvania or another jurisdiction. The Board received no other comments on this exposure draft.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The appropriate members of the regulated community are those funeral directors licensed in other states whose licensing authorities have entered into agreements with the Board and who desire to obtain limited licenses in Pennsylvania. These persons will be required to complete an application, pay the required application fee, and biennially renew and pay the renewal fee. The Board estimates that there will be no other costs or savings to the regulated community associated with compliance with this regulation.

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

There are no costs or savings to local governments associated with compliance with the proposed regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

The Board will process applications for limited licenses and biennial renewals. There are no other costs or savings to state government associated with implementation of the proposed regulation.

(20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY	FY+1	FY+2	FY+3	FY+4	FY+5
SAVINGS:						
Regulated Community						
Local Government						
State Government						
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community	N/A	\$4,375	\$8,750	\$22,750	\$1750	\$19,250
Local Government State Government	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A	N/A N/A
REVENUE LOSSES:						
Regulated Community						
Local Government						
State Government						
Total Revenue Losses	N/A	N/A	N/A	N/A	N/A	N/A

⁽²⁰a) Explain how the cost estimates listed above were derived.

Because the Board has not previously issued any limited licenses, any estimate of the number of persons who may apply for limited license is very speculative. However, the Board believes that it could reasonably anticipate receiving 500 applications (500 x \$35, or \$17,500) for limited licensure in biennial renewal period 2004-2006, and 100 applications (100 x \$35, or \$3500) in each subsequent renewal period. The Board estimates that approximately 500 holders of limited licenses will renew each biennial period (500 x \$35, or \$17,500).

(20b) Provide the past three year expenditure history for programs affected by the regulation.

Program	FY-3 (FY 99-00)	FY-2 (FY 00-01)	FY-1 (FY 01-02)	Current FY (FY 02-03)
Pa. State Board of Funeral Dir.	\$462,000	\$524,000	\$506,000	\$525,000

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

All of the identified costs to be imposed on the regulated community are necessary to defray the costs incurred by the Board to process applications for, and renewals of, limited licenses. The minimal costs associated with compliance with the regulations, compared with its public safety and consumer protection functions, indicate that adoption of the regulations would be prudent.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

Because the proposed regulation implements Act 48, the Board considered no non-regulatory alternatives.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

No alternative regulatory schemes were considered, because no other regulatory schemes would effectuate the amendments to the Funeral Director Law.

(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.

The proposed regulatory amendments do not overlap or conflict with any federal requirements.

(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?

The states of New York and New Jersey permit their licensing authorities to enter into agreements with the licensing authorities of other states to authorize licensees to enter the other state and perform similar limited functions without issuing any limited license. The states of West Virginia, Maryland, and Delaware permit their licensing authorities to issue limited licenses to funeral directors licensed in other states without any agreement with the licensing authorities of those other states. The state of Ohio makes no provision for limited licenses.

The proposed regulation will not put Pennsylvania at a competitive disadvantage with these other states. Instead, the proposed regulation will permit Pennsylvania consumers to receive limited services from funeral service providers in other states and will permit Pennsylvania funeral directors to provide similar limited services to consumers in other states.

(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other state agencies? If yes, explain and provide specific citations.

This regulation will have no effect on other regulations of the Board or other state agencies.

(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.

The Board reviews its regulatory proposals at regularly scheduled public meetings, generally the first Wednesday of each month. More information can be found on the Board's web-site (professional licensing link from the Department of State page, dos.state.pa), or by calling the Board office at (717) 783-3397.

(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.

The Board will be required to process each application for a limited license and to provide for renewal of each license that is issued. The regulation will change no other record keeping or paperwork requirements.

(29) Please list any special provisions which have been developed to meet the particular needs of affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers.

The Board has determined that there are no special needs of any subset of its applicants or licensees for whom special accommodations should be made.

(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?

The regulation will be effective upon publication in final form in the Pennsylvania Bulletin.

(31) Provide the schedule for continual review of the regulation.

The Board continually reviews the efficacy of its regulations, as part of its annual review process pursuant to Executive Order 1996-1.

FEE REPORT FORM

Agency:

State - BPOA

Date: 4/23/2003

Contact:

Scott Messing

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Limited License Application Fee: \$35.00

Estimated Biennial Revenue: \$17,500.00 (500 applications x \$35.00) (first cycle only)

Thereafter: Estimated Revenue \$3,500 (100 applications x \$35.00)

Fee Description:

The fee will be charged to every applicant for a Limited License.

Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Funeral Directors to review and process an application for a limited license and (2) defray a portion of the Board's administrative overhead.

Fee-Related Activities and Costs:

Staff time- process applications

(0.5 hr)

13.99

Administrative Overhead:

19.13

Total Estimated Cost: \$ 33.12 Proposed Fee: \$ 35.00

Analysis, Comment, and Recommendation:

It is recommended that a fee of \$35.00 be established to review an application for a limited license.

Page 2 Application for Limited License:

4/23/2003

Staff receives application and attachments, reviews for completeness, contacts applicant to obtain any missing information, verifies status of other state license, enters data into computer, issues license or letter of discrepancy.

FEE REPORT FORM

Agency:

State - BPOA

Date: 4/23/2003

Contact:

Scott Messing

Phone No.

783-7194

Fee Title, Rate and Estimated Collections:

Biennial Renewal Fee-Limited License:

\$35.00

Estimate Biennial Revenue: \$17,500 (500 applications x \$35.00)

Fee Description:

The fee will be charged biennially to applicant for renewal of a limited license.

Fee Objective:

The fee should defray a portion of the general operational costs of the State Board of **Funeral Directors**

Analysis, Comment, and Recommendation:

It is recommended that a renewal fee of \$35.00 be for renewal of a limited license, thereby causing limited license holders to contribute to the general operational costs of the State Board of Funeral Directors.

FACE SHEET FOR FILING DOCUMENTS WITH THE LEGISLATIVE REFERENCE BUREAU

AHH: 35

(Pursuant to Commonwealth Documents Law)

KE Jam Germass, Sil

DO NOT WRITE IN THIS SPACE

#2397

Copy below is hereby approved as to

Attorney General form and legality.

> BY: (DEPUTY ATTORNEY GENERAL)

> > MAR 17 2004

DATE OF APPROVAL

Copy below is hereby certified to be a true and correct copy of a document issued, prescribed or promulgated by:

Copy below is approved as to form and legality. Executive or Independent Agencies.

State Board of Funeral Directors

(AGENCY)

DOCUMENT/FISCAL NOTE NO.

16A-4810

DATE OF ADOPTION:

James O. Pinkerton, FD

TITLE:

Chairperson (EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY) [] Check if applicable. No Attorney General approval or objection within 30 day after submission.

(Strike inapplicable title)

marel Councel

[] Check if applicable Copy not approved. Objections attached.

PROPOSED RULEMAKING

COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS STATE BOARD OF FUNERAL DIRECTORS

> 49 Pa. Code §§ 13.1, 13.12, 13.77 Limited License

The State Board of Funeral Directors (Board) proposes to amend its regulations at 49 Pa. Code §§ 13.1 (relating to definitions) and 13.12 (relating to fees) and to add a new section at 49 Pa. Code § 13.77 (relating to limited license), as set forth in Annex A.

Effective date

The amendments will be effective upon publication of the final regulations in the Pennsylvania Bulletin.

Statutory Authority

The amendments are authorized under sections 9(c) and 16(a) of the Funeral Director Law (63 P.S. §§ 479.9(c), 479.16(a)).

Background and Need for the Amendment

Section 2 of the Funeral Director Law defines the term "funeral director" to include any person who supervises the burial, transportation or disposal of deceased human bodies. One who engages in that activity is practicing the profession of funeral director. However, no one may practice as a funeral director in the Commonwealth without being licensed to do so by the Board. Section 13(a) of the Funeral Director Law (63 P.S. § 479.13(a)). Accordingly, a person who is not licensed as a funeral director by the Board, even if licensed as a funeral director by another jurisdiction, cannot remove a deceased human body, transport a body, or conduct a burial in Pennsylvania. This restriction led many out-of-state licensed funeral directors who practice near the state line to obtain licensure in Pennsylvania, in addition to the neighboring home state. However, licensure in multiple jurisdictions generally would not be feasible for a funeral director who does not intend to practice regularly across the state line.

The states of New York and New Jersey authorize their respective licensing authorities to enter into agreements that permit a funeral director licensed in the other state to enter into the state to make a removal, transport a body, or conduct a burial without being licensed in the state. The states of West Virginia, Maryland, and Delaware permit a funeral director licensed in another state to obtain licensure to enter into the state and make a removal, transport a body, or conduct a burial, without any agreement between the licensing authorities of those states. In each of these states, a funeral director must be fully licensed by that state to open an establishment.

The act of June 22, 2000 (P.L. 376, No. 48) (Act 48) authorized the Board to enter into an agreement with the appropriate licensing authority of any other state to issue limited licenses to funeral directors licensed in that state who desire to practice on a limited basis in Pennsylvania. A limited license would authorize a funeral director from another state to enter into Pennsylvania for

the purpose of removing, transporting and burying dead human bodies and directing funerals. A limited license would not authorize the out-of-state funeral director to maintain an establishment or to hold himself or herself out as a funeral director in Pennsylvania.

Description of the Proposed Amendments

Under the proposed regulation, a funeral director licensed in a jurisdiction with which the Board has entered into an agreement must submit an application for a limited license, including an original certification of good standing from the applicant's home jurisdiction and the required fee. It is anticipated that the application will include an affidavit by which the applicant would acknowledge the restrictions on practice under a limited license, that the applicant is familiar with and will comply with the Funeral Director Law and the Board's regulations, and that any unprofessional conduct in Pennsylvania may result in disciplinary action that would be reported to the applicant's home state.

A limited license will be subject to biennial renewal. Because Section 10(b) of the Funeral Director Law requires each licensed individual to successfully complete continuing education as a condition for renewal, a holder of a limited license will be required to complete the required amount continuing education. However, because the holder of a limited license is by definition licensed in another jurisdiction, continuing education successfully completed in another jurisdiction will satisfy this requirement for the holder of a limited license. A limited license will become inactive if the holder's funeral director license in the funeral director's home state is revoked, suspended, inactivated or otherwise lapsed. The Board will reinstate the limited license to active status upon proof that the holder's license in the home state has been reinstated, unless the Board has, by disciplinary action, suspended or revoked the limited license. Additionally, the proposed regulation sets forth the requirement of Section 9(c) of the Funeral Director Law that the Board may take disciplinary action against the holder of a limited license for unprofessional conduct in Pennsylvania and will report that disciplinary action to the limited license holder's home state.

Finally, the proposed regulation will set fees for a limited license. Fees for service are to be set to enable the Board to recover the cost of providing the service. The application fee will be \$35. In general, renewal fees are set at an amount, together with other fees, sufficient to fund the operations of a licensing board and to spread that cost out over all licensees. For limited licensure, however, such an approach would disregard the limited use of the license by the out-of-state holders. Also, because there is no history of limited licensure, the Board cannot determine what costs may be attributable to holders of limited licenses. Accordingly, the Board will set the renewal fee for a limited license at \$35, the same amount as the application fee.

Compliance with Executive Order 1996-1

The Board solicited input from and provided an exposure draft of this proposed amendment to funeral directors and organizations as required under the directives of Executive Order 1996-1 (February 6, 1996). In addition, the Board considered the impact the regulation would have on the regulated community and on public health, safety and welfare. The Board finds that the proposed amendment addresses a compelling public interest as described in this Preamble and otherwise complies with Executive Order 1996-1.

Fiscal Impact and Paperwork Requirements

The proposed amendments will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The amendments will impose no additional paperwork requirements upon the Commonwealth, its political subdivisions, or the private sector.

Sunset Date

The Board continuously monitors the cost effectiveness of its regulations. Therefore, no sunset date has been assigned.

Regulatory Review

Pursuant to Section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), the Board submitted a copy of this proposed regulation on March 30, 2004, to the Independent Regulatory Review Commission (IRRC), the Senate Consumer Protection and Professional Licensure Committee (SCP/PLC), and the House Professional Licensure Committee (HPLC). In addition to submitting the regulation, the Board has provided IRRC, SCP/PLC and HPLC with a copy of a detailed regulatory analysis form prepared by the Board. A copy of this material is available to the public upon request.

Under Section 5(g) of the Regulatory Review Act (71 P.S. § 745.5(g)), if IRRC has any comments, recommendations or objections to any portion of the proposed regulation, it will notify the Board within 30 days after the expiration of the public comment review period. Such notification shall specify the regulatory review criteria that have not been met. The Regulatory Review Act specifies detailed procedures for review of comments, recommendations and objections by the Board, the General Assembly and the Governor, prior to publication of the regulation.

Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding this proposed rulemaking to Michelle Smey, Administrative Officer, State Board of Funeral Directors, P. O. Box 2649, Harrisburg, PA 17105-2649, within 30 days of publication of

this proposed rulemaking in the *Pennsylvania Bulletin*. Please reference No. 16A-4810 (Limited license), when submitting comments.

Joseph A. Fluehr, III, FD Chairperson

ANNEX A

PENNSYLVANIA ADMINISTRATIVE CODE

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 13. STATE BOARD OF FUNERAL DIRECTORS

GENERAL PROVISIONS

§ 13.1. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

* * *

<u>Limited license – A license issued by the Board that authorizes a person licensed to practice</u>

<u>funeral directing in a reciprocal state to practice funeral directing in this Commonwealth in</u>

accordance with Section 9(c) of the Act.

* * *

Reciprocal state – The District of Columbia or a state or territory of the United States of

America whose agency that is authorized to license persons to practice the profession of funeral

director in that jurisdiction has entered into an agreement with the Board under which persons

licensed in that jurisdiction may receive a limited license in this Commonwealth.

LICENSURE

* * *

§ 13.12. Fees.

Following is the schedule of fees charged by the Board:

Application for limited license	\$35
Biennial renewal of limited license	\$35

* * *

LICENSURE OF A FUNERAL DIRECTOR FROM ANOTHER STATE

§ 13.77. Limited License.

- (a) A person licensed by a reciprocal state to practice the profession of funeral director who seeks a limited license shall apply to the Board on a form provided by the Board, including: (i) an original certification from the reciprocal state that the applicant is licensed as a funeral director in that jurisdiction and is in good standing; and (ii) the fee prescribed by section 13.12 (relating to fees).
- (b) A limited license shall be subject to biennial renewal.
- (c) A limited license shall become inactive upon the revocation, suspension, placement upon inactive status, or other lapse of the holder's license in the reciprocal state. Unless a limited license is otherwise suspended or revoked, the Board may reinstate the limited license to active status upon proof that the holder's license in the reciprocal state is no longer revoked, suspended, placed on inactive status, or otherwise lapsed.
- (d) The Board may take disciplinary action against the holder of a limited license for any unprofessional conduct that occurs within this Commonwealth. The Board will report to the reciprocal state any disciplinary action taken against the holder of a limited license.



COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS STATE BOARD OF FUNERAL DIRECTORS

Post Office Box 2649 Harrisburg, Pennsylvania 17105-2649 (717) 783-3397

March 30, 2004

The Honorable John R. McGinley, Jr., Chairman INDEPENDENT REGULATORY REVIEW COMMISSION 14th Floor, Harristown 2, 333 Market Street Harrisburg, Pennsylvania 17101

Re:

Proposed Regulation

State Board of Funeral Directors 16A-4810: Limited License

Dear Chairman McGinley:

Enclosed is a copy of a proposed rulemaking package of the State Board of Funeral Directors pertaining to Limited License.

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely.

Joseph A. Fluehr, III, FD, Chairperson State Board of Funeral Directors

JAF/TAB:law

Enclosure

cc: Ba

Basil L. Merenda, Commissioner

Bureau of Professional and Occupational Affairs

Linda C. Barrett, Chief Counsel

Department of State

Joyce McKeever, Deputy Chief Counsel

Department of State

Cynthia Montgomery, Regulatory Counsel

Department of State

Herbert Abramson, Senior Counsel in Charge

Department of State

Thomas A. Blackburn, Counsel State Board of Funeral Directors

State Board of Funeral Directors

TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE REGULATORY REVIEW ACT

I.D. NUMB	ER: 16A-4810	
SUBJECT:	Limited License (State Board of Funeral Directors)	
AGENCY:	DEPARTMENT OF STATE # 2397	
x	TYPE OF REGULATION Proposed Regulation	
·	Final Regulation	
	Final Regulation with Notice of Proposed Rulemaking Omitted	7
	120-day Emergency Certification of the Attorney General	
	120-day Emergency Certification of the Governor	* * * * * * * * * * * * * * * * * * * *
	Delivery of Tolled Regulation a. With Revisions b. Without Revisions	
	FILING OF REGULATION	
DATE,	SIGNATURE DESIGNATION	
<u> 2130/04</u>	Sandra J. Hayell HOUSE COMMITTEE ON PROFESSIONAL LICENSURE	
3/30/CY	Many Walker SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE	&
3/30/01 St	INDEPENDENT REGULATORY REVIEW COMMISSION	Į
	ATTORNEY GENERAL (for Final Omitted only)	
£3/04 (LEGISLATIVE REFERENCE BUREAU (for Proposed only	·)