

Regulatory Analysis Form

This space for use by IRRC

(1) Agency

Department of State, Bureau of Professional and Occupational Affairs, State Board of Funeral Directors

(2) I.D. Number (Governor's Office Use)

16A-4817

IRRC Number: 2605

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2007 APR 11 11:49
INDEPENDENT REGULATORY
REVIEW COMMISSION

(3) Short Title

Biennial Renewal Fee

(4) PA Code Cite

49 Pa. Code § 13.12

(5) Agency Contacts & Telephone Numbers

Primary Contact: **Thomas A. Blackburn, Assistant Counsel, Department of State (717) 783-7200**
Secondary Contact: **Joyce McKeever, Deputy Chief Counsel, Department of State (717) 783-7200**

(6) Type of Rulemaking (check one)

Proposed Rulemaking
 Final Order Adopting Regulation
 Policy Statement

(7) Is a 120-Day Emergency Certification Attached?

No
 Yes: By the Attorney General
 Yes: By the Governor

(8) Briefly explain the regulation in clear and nontechnical language.

The proposed rulemaking would amend the fee schedule for the State Board of Funeral Directors to increase the biennial renewal fee. The current fee was last increased in 2004, but prior to that it had not been increased since 1992.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

The proposed rulemaking would be adopted under Section 18.1 of the Funeral Director Law (63 P.S. § 479.18.1).

(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. If revenues generated by fees, together with civil penalties imposed and collected, are not sufficient to match expenditures of a 2-year period, Section 18.1 of the Funeral Director Law requires the Board to increase its fees by regulation such that projected revenues will meet or exceed projected expenditures.

Regulatory Analysis Form

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

Section 18.1 of the Funeral Director Law requires that the Board set fees by regulation so that revenues meet or exceed expenditures over a biennial period. The Board previously revised its fees for services to recover the cost of providing those services. The balance of the operating expenses of the Board must be borne by the licensee population through biennial renewal revenue.

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

Nonregulation could potentially adversely impact the fiscal integrity of the Board. If the renewal fee is not revised, the Board may be financially unable to meet its statutory obligation of public protection.

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

The general public and licensees will benefit from the proposed rulemaking through the assurance that the Board will remain fiscally sound and able to meet its statutory obligation of public protection.

(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.)

Licensees of the Board will be adversely affected by the proposed rulemaking by having to pay a higher biennial license renewal fee.

(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.)

There are approximately 6,425 licensees, whether individual funeral director, funeral supervisor, or funeral home entity. Each licensee will be required to comply with the regulation.

Regulatory Analysis Form

(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.

Because this proposed rulemaking does not place requirements on licensees concerning their conduct or compliance with state law regarding the performance of a licensing duty under licensing statutes, but only adjusts the biennial renewal fee, the Board did not seek input from the regulated community.

(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 Board estimates that the aggregate additional costs for the regulated community will be approximately \$899,500 per biennial renewal period. The Board estimates that there will be no other costs or savings to the regulated community associated with compliance with this proposed rulemaking.

(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 rulemaking.

(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 rulemaking.

Regulatory Analysis Form

(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:	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12
Regulated Community						
Local Government						
State Government						
Total Savings	N/A	N/A	N/A	N/A	N/A	N/A
COSTS:						
Regulated Community		\$899,500		\$899,500		\$899,500
Local Government						
State Government						
Total Costs		\$899,500		\$899,500		\$899,500
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.

The biennial renewal fee for each license would increase \$140, from the current \$185 to the proposed \$325. There are approximately 6,425 licensees subject to this renewal fee. 6,425 x \$140 (increase) = \$899,500.

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

Program	FY-3 (FY 03-04)	FY-2 (FY 04-05)	FY-1 (FY 05-06)	Current FY (FY 06-07)
Pa. State Board of Funeral Dir.	\$609,000	\$700,000	\$821,000	\$842,000

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

Because the Board is required by statute to raise its fees to meet expenditures, the need to assure fiscal integrity of the Board outweighs the increased cost to the regulated community.

Attached to this form is a breakdown of projected revenue and expenses through fiscal year 2010-11. Also attached are projections of the Board's financial balance, for various renewal fee increase scenarios, through fiscal year 2016-17.

Regulatory Analysis Form

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

Because the act requires the Board to promulgate regulations to set its fees, 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.

The Board considered four alternative regulatory schemes, ranging from an increase of approximately 25% to an increase of 100% as outlined in the Preamble. The Board elected to adopt an approximate 75% increase in the biennial renewal fee as the least restrictive means of eliminating the current deficit, avoiding future deficits through fiscal year 2016-17, thereby restoring the fiscal integrity of the Board.

(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 rulemaking does 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?

Each state licensing agency charges a renewal fee. Maryland charges \$500 for biennial renewal of individual mortician, funeral director, and surviving spouse licenses, and \$600 for biennial renewal of funeral establishment licenses. New Jersey charges \$250 for biennial renewal of individual practitioner, embalmer, and funeral director licenses, and \$500 for biennial renewal of mortuary registrations. New York charges \$125 for biennial renewal of funeral director licenses and \$300 for biennial renewal of funeral firm licenses. Ohio charges \$140 for biennial renewal of embalmer or funeral director licenses and \$250 for biennial renewal of funeral home licenses. West Virginia charges \$80 for annual renewal of embalmer and funeral director licenses and \$175 for annual renewal of funeral establishment licenses.

The new fee is consistent with fees charged by surrounding states. The proposed rulemaking will not put Pennsylvania at a competitive disadvantage with these 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 proposed rulemaking will have no effect on other regulations of the Board or other state agencies.

Regulatory Analysis Form

(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, at 2601 North Third Street in Harrisburg. More information can be found on the Board's web-site (www.dos.state.pa.us/funeral), 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.

No change to reporting, recordkeeping or other paperwork is required by this regulation.

(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*, and the increased biennial renewal fees will go into effect beginning with the 2008-10 biennial renewal period.

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

The Board reviews its revenues and costs of its programs on a fiscal year and biennial basis.

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INDEPENDENT REGULATORY
REVIEW COMMISSION

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FACE SHEET
FOR FILING DOCUMENTS
WITH THE LEGISLATIVE REFERENCE BUREAU

(Pursuant to Commonwealth Documents Law)

Copy below is hereby approved as to
form and legality. Attorney General

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.

[Signature]

State Board of Funeral Directors

[Signature]

BY: _____
(DEPUTY ATTORNEY GENERAL)

(AGENCY)

BY: _____
Andrew C. Clark

APR 04 2007

DOCUMENT/FISCAL NOTE NO. 16A-4817

MAR 13 2007

DATE OF APPROVAL

DATE OF APPROVAL

DATE OF ADOPTION:

(Deputy General Counsel
~~Chief Counsel,~~
~~Independent Agency~~
~~(Strike inapplicable title)~~)

BY: *[Signature]*
Anthony Scarantino

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

TITLE: Chairperson
(EXECUTIVE OFFICER, CHAIRMAN OR SECRETARY)

[] Check if applicable.
No Attorney General approval
or objection within 30 day
after submission.

PROPOSED RULEMAKING

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

49 Pa. Code § 13.12
RENEWAL FEE

The State Board of Funeral Directors (Board) proposes to amend § 13.12 (relating to fees), to read as set forth in Annex A. The proposal will raise the biennial renewal fee for licensed funeral directors and funeral establishments from \$185 to \$325.

Effective date

The amendment will be effective upon publication of the final regulation in the *Pennsylvania Bulletin*. The increase in the biennial renewal fee will go into effect beginning with renewal for the February 1, 2008, through January 31, 2010, biennial renewal period.

Statutory Authority

This proposed amendment is authorized by section 18.1 of the Funeral Director Law (act) (63 P.S. § 479.18.1).

Background and Need for the Amendment

Section 18.1(a) of the act (63 P.S. § 479.18.1(a)) requires the Board to fix the fees for renewal of licenses by regulation, and if the revenue generated by fees, fines and civil penalties is not sufficient to match expenditures over a 2-year period, the Board is required to increase those fees by regulation. Section 18.1(b) of the act (63 P.S. § 479.18.1(b)) requires the Board to increase fees when revenue raised by fees, fines and civil penalties are not sufficient to meet expenditures.

The Board's current biennial license renewal fee was established by regulation and took effect for the 2004-2006 biennial renewal period, the only increase since 1992. The Board raises virtually all its revenue through fees, and the biennial license renewal fee is the most substantial revenue-generating fee of the fees charged by the Board.

At the Board's meeting June 7, 2006, the Department of State's revenue and budget offices presented a summary of the Board's actual revenues and expenses for fiscal year 2004-05 and projected revenues and expenses for fiscal years 2005-06 through 2016-17. At the end of fiscal year 2004-05, the Board had a deficit of \$99,582. The budget office projects that, without an increase in the renewal fee, deficits will continue to grow, with an anticipated deficit of \$684,119 at the end of fiscal year 2008-09, an anticipated deficit of \$1,212,119 at the end of fiscal year 2010-11, and an anticipated deficit of \$4,037,119 by the end of fiscal year 2016-17.

For the Board's consideration, the budget office presented summaries for various increases in the renewal fee beginning with the 2008-10 renewal period. If the renewal fee were increased to \$230, an increase of approximately 25%, the budget office projected continued deficits. Specifically, the Board would experience a deficit of \$374,009 at the end of fiscal year 2008-09, a deficit of \$591,899 at the end of fiscal year 2010-11, and a deficit of \$1,002,789 at the end of fiscal year 2012-13. The deficits would continue to grow to \$2,486,569 at the end of fiscal year 2016-17. Similarly,

if the renewal fee were increased to \$280, an increase of approximately 50%, the budget office projected a deficit of \$46,159 at the end of fiscal year 2008-09, a surplus of \$63,801 at the end of fiscal year 2010-11, and a deficit of \$19,239 at the end of fiscal year 2012-13. The deficits would continue to grow to \$847,319 at the end of fiscal year 2016-17.

If, however, the renewal fee were increased to \$325, an increase of approximately 75%, the budget office projected a surplus of \$249,906 at the end of fiscal year 2008-09, a surplus of \$653,931 at the end of fiscal year 2010-11, and a surplus of \$865,956 at the end of fiscal year 2012-13. The surplus would then continually decrease to \$628,006 at the end of fiscal year 2016-17. If the renewal fee were increased to \$370, an increase of approximately 100%, the budget office projected a surplus of \$543,971 at the end of fiscal year 2008-09 and a surplus of \$1,244,061 at the end of fiscal year 2010-11. The surplus would then continually increase to \$2,103,331 at the end of fiscal year 2016-17. After considering each of these options, the Board elected to increase the biennial renewal fee to \$325, as the least restrictive means of eliminating the projected deficits and restoring the Board's fiscal integrity as required by section 18.1 of the act (63 P.S. § 479.18.1).

Description of the Proposed Amendments

Section 13.12 (relating to fees) would be amended to increase the biennial renewal fee from \$185 to \$325.

Fiscal Impact and Paperwork Requirements

The proposed amendment would increase the biennial renewal fee for funeral directors and funeral establishments in this Commonwealth, but, otherwise, should have no adverse fiscal impact on the Commonwealth, its political subdivisions, or the private sector. 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

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on April 11, 2007, the Board submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the Senate Consumer Protection and Professional Licensure Committee and the House Professional Licensure Committee. A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections shall specify the regulatory review criteria which have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor of comments, recommendations or objections raised.

Public Comment

Interested persons are invited to submit written comments, recommendations or objections regarding this proposed rulemaking to Michelle T. Smey, Board Administrator, 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-4817 (Renewal fee), when submitting comments.

Anthony Scarantino
Chairperson

ANNEX A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. Professional and Occupational Affairs

CHAPTER 13. STATE BOARD OF FUNERAL DIRECTORS

* * * * *

LICENSURE

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§ 13.12. Fees.

Following is the schedule of fees charged by the Board:

* * * * *

Biennial renewal[\$185] \$325

* * * * *

Department of State
Bureau of Professional Occupational Affairs
State Board of Funeral Directors

8/1/2006

	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected	Projected
	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses	Expenses
Cost Center	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11
BPOA Administration	100,915.88	91,011.79	119,741.65	95,186.54	110,194.32	126,000.00	131,000.00	135,000.00	138,000.00	145,000.00
Commissioner's Office	32,482.66	7,335.83	9,082.50	10,501.00	17,245.59	19,000.00	20,000.00	21,000.00	22,000.00	23,000.00
Departmental Services	16,660.69	24,708.88	25,298.98	24,768.94	25,821.21	28,000.00	29,000.00	30,000.00	31,000.00	33,000.00
Legal Office	148,960.00	168,151.48	140,133.34	234,454.72	208,649.74	235,000.00	244,000.00	250,000.00	255,000.00	268,000.00
Hearing Expenses	4,905.47	11,073.25	14,013.93	4,250.50	4,126.71	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Legislative & Regulatory Analysis	2,520.08	1,830.87	13,744.18	4,891.58	5,395.53	8,000.00	8,000.00	8,000.00	8,000.00	8,000.00
Enforcement & Investigation	216,210.45	238,073.11	303,571.98	298,705.34	317,462.39	390,000.00	406,000.00	417,000.00	427,000.00	448,000.00
Board Member Expenses	19,244.71	19,811.60	24,543.99	25,504.85	25,055.07	30,000.00	32,000.00	33,000.00	34,000.00	36,000.00
TOTAL	541,899.94	561,996.81	650,130.55	698,263.47	713,950.56	842,000.00	876,000.00	900,000.00	921,000.00	967,000.00
	Actual	Actual	Actual	Actual	Actual	Projected	Projected	Projected	Projected	Projected
	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue	Revenue
Revenue By Source	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06	FY 06-07	FY 07-08	FY 08-09	FY 09-10	FY 10-11
Renewals	779,867.00	12,210.00	1,193,541.00	20,485.00	1,185,310.00	22,000.00	1,182,000.00	22,000.00	1,182,000.00	22,000.00
Applications	13,975.00	19,350.00	19,310.00	17,730.00	20,880.00	21,000.00	21,000.00	21,000.00	21,000.00	21,000.00
Letters of Good Standing/Certifications	1,920.00	4,475.00	4,290.00	6,235.00	5,265.00	6,000.00	6,000.00	6,000.00	6,000.00	6,000.00
Act 48	3,000.00	2,200.00	2,350.00	21,500.00	27,234.00	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00
Fines	24,200.00	18,250.00	3,275.00	26,950.00	13,925.00	20,000.00	20,000.00	20,000.00	20,000.00	20,000.00
Miscellaneous	7,407.93	5,663.04	8,765.60	8,117.95	11,638.25	9,000.00	9,000.00	9,000.00	9,000.00	9,000.00
TOTAL REVENUE	830,369.93	62,148.04	1,231,531.60	101,017.95	1,264,252.25	100,000.00	1,260,000.00	100,000.00	1,260,000.00	100,000.00

DEPARTMENT OF STATE
BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS

STATE BOARD OF FUNERAL DIRECTORS
CURRENT FINANCIAL STATUS

FINANCIAL STATUS	Actual FY 04-05	Projected FY 05-06	Projected FY 06-07	Projected FY 07-08	Projected FY 08-09	Projected FY 09-10	Projected FY 10-11	Projected FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15	Projected FY 15-16	Projected FY 16-17
Beginning Balance	498,805.25	(99,581.80)	366,831.44	(268,119.12)	115,880.88	(684,119.12)	(345,119.12)	(1,212,119.12)	(967,119.12)	(1,933,119.12)	(1,792,119.12)	(2,867,119.12)	(2,841,119.12)
Revenue	101,612.95	1,260,000.00	100,000.00	1,260,000.00	100,000.00	1,260,000.00	100,000.00	1,260,000.00	100,000.00	1,260,000.00	100,000.00	1,260,000.00	100,000.00
Prior Year Returned Funds	0.00	75,309.99 *	107,049.44 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	600,418.20	1,235,728.19	573,880.88	991,880.88	215,880.88	575,880.88	(245,119.12)	47,880.88	(867,119.12)	(673,119.12)	(1,692,119.12)	(1,607,119.12)	(2,741,119.12)
Prior Year Expenses	0.00	47,896.75 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	700,000.00	821,000.00	842,000.00	876,000.00	900,000.00	921,000.00	967,000.00	1,015,000.00	1,066,000.00	1,119,000.00	1,175,000.00	1,234,000.00	1,296,000.00
Remaining Balance	(99,581.80)	366,831.44	(268,119.12)	115,880.88	(684,119.12)	(345,119.12)	(1,212,119.12)	(967,119.12)	(1,933,119.12)	(1,792,119.12)	(2,867,119.12)	(2,841,119.12)	(4,037,119.12)

* Estimated

**STATE BOARD OF FUNERAL DIRECTORS
PROPOSED BIENNIAL RENEWAL FEE INCREASE
OPTION 1 - 25% INCREASE**

Last Biennial Renewal Fee Increase:
All Licenses - 1/2004

LICENSE CLASSES	LICENSE COUNT	CURRENT RENEWAL FEE	TOTAL RENEWAL FEES	PROPOSED RENEWAL FEE	TOTAL REVENUE
Funeral Director	3,556	\$ 185.00	\$ 657,860.00	\$ 230.00	\$ 817,880.00
Funeral Supervisor	1,195	\$ 185.00	\$ 221,075.00	\$ 230.00	\$ 274,850.00
Funeral Director - Limited	134	\$ 185.00	\$ 24,790.00	\$ 230.00	\$ 30,820.00
Branch	266	\$ 185.00	\$ 49,210.00	\$ 230.00	\$ 61,180.00
Estate	2	\$ 185.00	\$ 370.00	\$ 230.00	\$ 460.00
Professional Corporation	97	\$ 185.00	\$ 17,945.00	\$ 230.00	\$ 22,310.00
Sole Proprietor	464	\$ 185.00	\$ 85,840.00	\$ 230.00	\$ 106,720.00
Partnership	26	\$ 185.00	\$ 4,810.00	\$ 230.00	\$ 5,980.00
Restricted Business Corporation	727	\$ 185.00	\$ 134,495.00	\$ 230.00	\$ 167,210.00
Widow	35	\$ 185.00	\$ 6,475.00	\$ 230.00	\$ 8,050.00
Pre-1935 Business Corporation	55	\$ 185.00	\$ 10,175.00	\$ 230.00	\$ 12,650.00
TOTAL RENEWAL REVENUE:			\$ 1,213,045.00		\$ 1,508,110.00
TOTAL NON-RENEWAL REVENUE:			\$ 162,000.00		\$ 162,000.00
TOTAL BOARD BIENNIAL REVENUE:			\$ 1,375,045.00		\$ 1,670,110.00

FINANCIAL STATUS	Actual FY 04-05	Projected FY 05-06	Projected FY 06-07	Projected FY 07-08	Projected FY 08-09	Projected FY 09-10	Projected FY 10-11	Projected FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15	Projected FY 15-16	Projected FY 16-17
Beginning Balance	498,805.25	(99,581.80)	366,831.44	(268,119.12)	419,990.88	(374,009.12)	269,100.88	(591,899.12)	(42,789.12)	(1,002,789.12)	(557,679.12)	(1,626,679.12)	(1,296,569.12)
Revenue	101,612.95	1,260,000.00	100,000.00	1,564,110.00	106,000.00	1,564,110.00	106,000.00	1,564,110.00	106,000.00	1,564,110.00	106,000.00	1,564,110.00	106,000.00
Prior Year Returned Funds	0.00	75,309.99 *	107,049.44 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	600,418.20	1,235,728.19	573,880.88	1,295,990.88	525,990.88	1,190,100.88	375,100.88	972,210.88	63,210.88	561,320.88	(451,679.12)	(62,569.12)	(1,190,569.12)
Prior Year Expenses	0.00	47,896.75 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	700,000.00	821,000.00	842,000.00	876,000.00	900,000.00	921,000.00	967,000.00	1,015,000.00	1,066,000.00	1,119,000.00	1,175,000.00	1,234,000.00	1,296,000.00
Remaining Balance	(99,581.80)	366,831.44	(268,119.12)	419,990.88	(374,009.12)	269,100.88	(591,899.12)	(42,789.12)	(1,002,789.12)	(557,679.12)	(1,626,679.12)	(1,296,569.12)	(2,486,569.12)

* Estimated

**STATE BOARD OF FUNERAL DIRECTORS
PROPOSED BIENNIAL RENEWAL FEE INCREASE
OPTION 2 - 50% INCREASE**

Last Biennial Renewal Fee Increase:
All Licenses - 1/2004

LICENSE CLASSES	LICENSE COUNT	CURRENT RENEWAL FEE	TOTAL RENEWAL FEES	PROPOSED RENEWAL FEE	TOTAL REVENUE
Funeral Director	3,556	\$ 185.00	\$ 657,860.00	\$ 280.00	\$ 995,680.00
Funeral Supervisor	1,195	\$ 185.00	\$ 221,075.00	\$ 280.00	\$ 334,600.00
Funeral Director - Limited	134	\$ 185.00	\$ 24,790.00	\$ 280.00	\$ 37,520.00
Branch	266	\$ 185.00	\$ 49,210.00	\$ 280.00	\$ 74,480.00
Estate	2	\$ 185.00	\$ 370.00	\$ 280.00	\$ 560.00
Professional Corporation	97	\$ 185.00	\$ 17,945.00	\$ 280.00	\$ 27,160.00
Sole Proprietor	464	\$ 185.00	\$ 85,840.00	\$ 280.00	\$ 129,920.00
Partnership	26	\$ 185.00	\$ 4,810.00	\$ 280.00	\$ 7,280.00
Restricted Business Corporation	727	\$ 185.00	\$ 134,495.00	\$ 280.00	\$ 203,560.00
Widow	35	\$ 185.00	\$ 6,475.00	\$ 280.00	\$ 9,800.00
Pre-1935 Business Corporation	55	\$ 185.00	\$ 10,175.00	\$ 280.00	\$ 15,400.00
TOTAL RENEWAL REVENUE:			\$ 1,213,045.00		\$ 1,835,960.00
TOTAL NON-RENEWAL REVENUE:			\$ 162,000.00		\$ 162,000.00
TOTAL BOARD BIENNIAL REVENUE:			\$ 1,375,045.00		\$ 1,997,960.00

FINANCIAL STATUS	Actual FY 04-05	Projected FY 05-06	Projected FY 06-07	Projected FY 07-08	Projected FY 08-09	Projected FY 09-10	Projected FY 10-11	Projected FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15	Projected FY 15-16	Projected FY 16-17
Beginning Balance	498,805.25	(99,581.80)	366,831.44	(268,119.12)	742,840.88	(46,159.12)	919,800.88	63,800.88	935,760.88	(19,239.12)	748,720.88	(315,279.12)	337,680.88
Revenue	101,612.95	1,260,000.00	100,000.00	1,886,960.00	111,000.00	1,886,960.00	111,000.00	1,886,960.00	111,000.00	1,886,960.00	111,000.00	1,886,960.00	111,000.00
Prior Year Returned Funds	0.00	75,309.99 *	107,049.44 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	600,418.20	1,235,728.19	573,880.88	1,618,840.88	853,840.88	1,840,800.88	1,030,800.88	1,950,760.88	1,046,760.88	1,867,720.88	859,720.88	1,571,680.88	448,680.88
Prior Year Expenses	0.00	47,896.75 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	700,000.00	821,000.00	842,000.00	876,000.00	900,000.00	921,000.00	967,000.00	1,015,000.00	1,066,000.00	1,119,000.00	1,175,000.00	1,234,000.00	1,296,000.00
Remaining Balance	(99,581.80)	366,831.44	(268,119.12)	742,840.88	(46,159.12)	919,800.88	63,800.88	935,760.88	(19,239.12)	748,720.88	(315,279.12)	337,680.88	(847,319.12)

* Estimated

**STATE BOARD OF FUNERAL DIRECTORS
PROPOSED BIENNIAL RENEWAL FEE INCREASE
OPTION 3 - 75% INCREASE**

Last Biennial Renewal Fee Increase:
All Licenses - 1/2004

LICENSE CLASSES	LICENSE COUNT	CURRENT RENEWAL FEE	TOTAL RENEWAL FEES	PROPOSED RENEWAL FEE	TOTAL REVENUE
Funeral Director	3,556	\$ 185.00	\$ 657,860.00	\$ 325.00	\$1,155,700.00
Funeral Supervisor	1,195	\$ 185.00	\$ 221,075.00	\$ 325.00	\$ 388,375.00
Funeral Director - Limited	134	\$ 185.00	\$ 24,790.00	\$ 325.00	\$ 43,550.00
Branch	266	\$ 185.00	\$ 49,210.00	\$ 325.00	\$ 86,450.00
Estate	2	\$ 185.00	\$ 370.00	\$ 325.00	\$ 650.00
Professional Corporation	97	\$ 185.00	\$ 17,945.00	\$ 325.00	\$ 31,525.00
Sole Proprietor	464	\$ 185.00	\$ 85,840.00	\$ 325.00	\$ 150,800.00
Partnership	26	\$ 185.00	\$ 4,810.00	\$ 325.00	\$ 8,450.00
Restricted Business Corporation	727	\$ 185.00	\$ 134,495.00	\$ 325.00	\$ 236,275.00
Widow	35	\$ 185.00	\$ 6,475.00	\$ 325.00	\$ 11,375.00
Pre-1935 Business Corporation	55	\$ 185.00	\$ 10,175.00	\$ 325.00	\$ 17,875.00
TOTAL RENEWAL REVENUE:			\$1,213,045.00		\$2,131,025.00
TOTAL NON-RENEWAL REVENUE:			\$ 162,000.00		\$ 162,000.00
TOTAL BOARD BIENNIAL REVENUE:			\$1,375,045.00		\$2,293,025.00

FINANCIAL STATUS	Actual FY 04-05	Projected FY 05-06	Projected FY 06-07	Projected FY 07-08	Projected FY 08-09	Projected FY 09-10	Projected FY 10-11	Projected FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15	Projected FY 15-16	Projected FY 16-17
Beginning Balance	498,805.25	(99,581.80)	366,831.44	(268,119.12)	1,032,905.88	248,905.88	1,504,930.88	653,930.88	1,815,955.88	865,955.88	1,923,980.88	864,980.88	1,808,005.88
Revenue	101,612.95	1,260,000.00	100,000.00	2,177,025.00	116,000.00	2,177,025.00	116,000.00	2,177,025.00	116,000.00	2,177,025.00	116,000.00	2,177,025.00	116,000.00
Prior Year Returned Funds	0.00	75,309.99 *	107,049.44 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	600,418.20	1,235,728.19	573,880.88	1,908,905.88	1,148,905.88	2,425,930.88	1,620,930.88	2,830,955.88	1,931,955.88	3,042,980.88	2,039,980.88	3,042,005.88	1,924,005.88
Prior Year Expenses	0.00	47,896.75 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	700,000.00	821,000.00	842,000.00	876,000.00	900,000.00	921,000.00	967,000.00	1,015,000.00	1,066,000.00	1,119,000.00	1,175,000.00	1,234,000.00	1,296,000.00
Remaining Balance	(99,581.80)	366,831.44	(268,119.12)	1,032,905.88	248,905.88	1,504,930.88	653,930.88	1,815,955.88	865,955.88	1,923,980.88	864,980.88	1,808,005.88	628,005.88

* Estimated

**STATE BOARD OF FUNERAL DIRECTORS
PROPOSED BIENNIAL RENEWAL FEE INCREASE
OPTION 4 - 100% INCREASE**

Last Biennial Renewal Fee Increase:
All Licenses - 1/2004

LICENSE CLASSES	LICENSE COUNT	CURRENT RENEWAL FEE	TOTAL RENEWAL FEES	PROPOSED RENEWAL FEE	TOTAL REVENUE
Funeral Director	3,556	\$ 185.00	\$ 657,860.00	\$ 370.00	\$ 1,315,720.00
Funeral Supervisor	1,195	\$ 185.00	\$ 221,075.00	\$ 370.00	\$ 442,150.00
Funeral Director - Limited	134	\$ 185.00	\$ 24,790.00	\$ 370.00	\$ 49,580.00
Branch	266	\$ 185.00	\$ 49,210.00	\$ 370.00	\$ 98,420.00
Estate	2	\$ 185.00	\$ 370.00	\$ 370.00	\$ 740.00
Professional Corporation	97	\$ 185.00	\$ 17,945.00	\$ 370.00	\$ 35,890.00
Sole Proprietor	464	\$ 185.00	\$ 85,840.00	\$ 370.00	\$ 171,680.00
Partnership	26	\$ 185.00	\$ 4,810.00	\$ 370.00	\$ 9,620.00
Restricted Business Corporation	727	\$ 185.00	\$ 134,495.00	\$ 370.00	\$ 268,990.00
Widow	35	\$ 185.00	\$ 6,475.00	\$ 370.00	\$ 12,950.00
Pre-1935 Business Corporation	55	\$ 185.00	\$ 10,175.00	\$ 370.00	\$ 20,350.00
TOTAL RENEWAL REVENUE:			\$ 1,213,045.00		\$ 2,426,090.00
TOTAL NON-RENEWAL REVENUE:			\$ 162,000.00		\$ 162,000.00
TOTAL BOARD BIENNIAL REVENUE:			\$ 1,375,045.00		\$ 2,588,090.00

FINANCIAL STATUS	Actual FY 04-05	Projected FY 05-06	Projected FY 06-07	Projected FY 07-08	Projected FY 08-09	Projected FY 09-10	Projected FY 10-11	Projected FY 11-12	Projected FY 12-13	Projected FY 13-14	Projected FY 14-15	Projected FY 15-16	Projected FY 16-17
Beginning Balance	498,805.25	(99,581.80)	366,831.44	(268,119.12)	1,322,970.88	543,970.88	2,090,060.88	1,244,060.88	2,696,150.88	1,751,150.88	3,099,240.88	2,045,240.88	3,278,330.88
Revenue	101,612.95	1,260,000.00	100,000.00	2,467,090.00	121,000.00	2,467,090.00	121,000.00	2,467,090.00	121,000.00	2,467,090.00	121,000.00	2,467,090.00	121,000.00
Prior Year Returned Funds	0.00	75,309.99 *	107,049.44 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total Revenue	600,418.20	1,235,728.19	573,880.88	2,198,970.88	1,443,970.88	3,011,060.88	2,211,060.88	3,711,150.88	2,817,150.88	4,218,240.88	3,220,240.88	4,512,330.88	3,399,330.88
Prior Year Expenses	0.00	47,896.75 *	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Expenses	700,000.00	821,000.00	842,000.00	876,000.00	900,000.00	921,000.00	967,000.00	1,015,000.00	1,066,000.00	1,119,000.00	1,175,000.00	1,234,000.00	1,296,000.00
Remaining Balance	(99,581.80)	366,831.44	(268,119.12)	1,322,970.88	543,970.88	2,090,060.88	1,244,060.88	2,696,150.88	1,751,150.88	3,099,240.88	2,045,240.88	3,278,330.88	2,103,330.88

* Estimated



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

April 11, 2007

The Honorable Arthur Coccodrilli, Chairman
INDEPENDENT REGULATORY REVIEW COMMISSION
14th Floor, Harristown 2, 333 Market Street
Harrisburg, Pennsylvania 17101

Re: Proposed Regulation
State Board of Funeral Directors
16A-4817: Renewal Fee

Dear Chairman Coccodrilli:

Enclosed is a copy of a proposed rulemaking package of the State Board of Funeral Directors pertaining to the biennial renewal fee.

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

Sincerely,


Anthony Scarantino, Chairperson
State Board of Funeral Directors

AS/FJB:kmh

Enclosure

cc: Basil L. Merenda, Commissioner
Bureau of Professional and Occupational Affairs
Albert H. Masland, 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
Frank J. Bolock, Jr., Counsel
State Board of Funeral Directors
State Board of Funeral Directors

**TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE
REGULATORY REVIEW ACT**

I.D. NUMBER: 16A-4817
 SUBJECT: RENEWAL FEE
 AGENCY: DEPARTMENT OF STATE
 STATE BOARD OF FUNERAL DIRECTORS

TYPE OF REGULATION


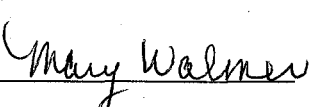
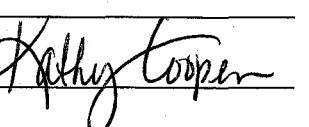
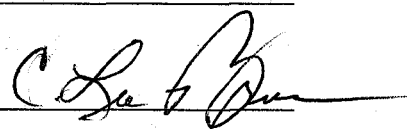
- Proposed Regulation
- Final Regulation
- Final Regulation with Notice of Proposed Rulemaking Omitted
- 120-day Emergency Certification of the Attorney General
- 120-day Emergency Certification of the Governor
- Delivery of Tolled Regulation
 - a. With Revisions
 - b. Without Revisions

INDEPENDENT REGULATORY
REVIEW COMMISSION

2007 APR 11 AM 11:49

RECEIVED

FILING OF REGULATION

DATE	SIGNATURE	DESIGNATION
4/11/07		HOUSE COMMITTEE ON PROFESSIONAL LICENSURE
4/11/07		SENATE COMMITTEE ON CONSUMER PROTECTION & PROFESSIONAL LICENSURE
4/11/07		INDEPENDENT REGULATORY REVIEW COMMISSION
		ATTORNEY GENERAL (for Final Omitted only)
4/11/07		LEGISLATIVE REFERENCE BUREAU (for Proposed only)