

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6916

BILL NUMBER: SB 467

NOTE PREPARED: Jan 25, 2011

BILL AMENDED:

SUBJECT: Country of Origin of Caskets.

FIRST AUTHOR: Sen. Paul

FIRST SPONSOR:

BILL STATUS: CR Adopted - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: The bill provides that a supplier of a casket or a person who sells or prepares for sale a casket and who removes, covers, alters, or makes unreadable a country of origin marking on the casket commits a deceptive act. The bill provides that removing, covering, altering, or making unreadable a country of origin marking on a casket may be grounds for discipline for a licensed funeral home director, funeral home, or embalmer.

Effective Date: July 1, 2011.

Explanation of State Expenditures: *Summary:* Several remedies under current law would be at the disposal of a person wronged by a supplier defacing the country of origin marking on a casket. If a person filed a complaint with the Attorney General's (AG) consumer protection division, the AG could file a petition with a court of jurisdiction to enjoin the supplier from selling defaced caskets. It is likely the AG would be able to file petitions within their existing level of resources.

The State Board of Funeral and Cemetery Service (BFCS) would be able to administratively punish a supplier that defaced a casket and attempted to sell it. Under current law, the BFCS could permanently revoke or suspend a license, censure, send a letter of reprimand, place on probation, or order the supplier to pay restitution. Additionally, the BFCS could impose civil penalties (see *Explanation of State Revenues*). It is likely the BFCS could hold needed hearings for suppliers within the course of regularly scheduled board meetings.

Background Information- The BFCS is expected to meet eight times during CY 2010. As of September 2010,

there were 1,784 funeral directors and 653 funeral home licenses active with the Professional Licensing Agency.

Explanation of State Revenues: *Summary:* A buyer could bring an action against a supplier that had defaced the country of origin marking of a casket and sold it to the buyer. Civil penalties could also be assessed by a trial court or by the BFCS.

Court Fee Revenue: If additional civil actions occur and court fees are collected, revenue to the state General Fund may increase. A civil costs fee of \$100 would be assessed when a civil case is filed, 70% of which would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), and the judicial insurance adjustment fee (\$1) are deposited into the state General Fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

Civil Penalties: Under current law, depending on the course of action and circumstances, several different civil penalties could be applied to a violating casket supplier ranging from \$500 to \$15,000 per violation. Unless otherwise specified in the Indiana Code, all civil penalties are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues: *Court Fee Revenue:* If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 civil costs fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. Additional fees may be collected at the discretion of the judge and depending upon the particular type of case.

State Agencies Affected: State Board of Funeral and Cemetery Service; Attorney General.

Local Agencies Affected: Trial courts.

Information Sources: Professional Licensing Agency.

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