STATEMENT OF EMERGENCY
201 KAR 15:030E

During its 2021 regular session, the General Assembly passed House Bill 220 (attached), an amendment to KRS 316.030 to allow the Board of Embalmers and Funeral Directors to establish fees through the promulgation of administrative regulations and amend KRS 316.030 to remove outdated language and processes. HB 220 was signed by the Governor on March 15, 2021. This emergency regulation is required to ensure the agency is able to be fiscally sound. HB 220 goes into effect June 29, 2021. The renewal period of individuals and establishments for the Kentucky Board of Embalmers and Funeral Directors is July 1 though 31st. This emergency regulation will be replaced by an ordinary regulation and will be submitted at the same time. The ordinary regulation is identical to the emergency.

ANDY BESHEAR, Governor
CHRISTI K. MOFFETT, Executive Director

BOARDS AND COMMISSIONS
Board of Embalmers and Funeral Directors
(Emergency Amendment)

201 KAR 15:030E. Fees.

RELATES TO: KRS 316.125(2)(a), 316.130(2), (4), (5), 316.132, 316.140(2)
STATUTORY AUTHORITY: KRS 316.125(2)(a), 316.130(2), (4), (5), 316.132, 316.140(2), 316.210(1)
NECESSITY, FUNCTION, AND CONFORMITY: KRS 316.125(2)(a), 316.130(2), (4), and (5), 316.132, 316.140(2), and 316.210(1) require the board to set out in administrative regulations certain fees. This administrative regulation establishes these fees.

Section 1. (1) The funeral establishment license fee shall be $500[~~$200~~].
(2) The renewal fee for a funeral establishment license shall be based on call volumes as follows:
(a) Zero (0) to ninety-nine (99) calls: $450;
(b) 100 to 299 calls: $550;
(c) 300 to 499 calls: $650; or
(d) 500 or more calls: $750.
(e) The late fee for a funeral establishment license renewal shall be double the applicable call volume renewal fee in Section 1 (1-4) of this administrative regulation [~~$200~~].

Section 2. Individual License Fees.
(1) [~~The~~] Embalmer's license renewal fee shall be $100.
(2) [~~Section 3. The~~] Funeral director's license renewal fee shall be $100.
(3) [~~Section 4. The late fee for a funeral establishment license renewal shall be $200.~~

~~Section 5.~~] The late fee for an embalmer's license renewal or a funeral director's license renewal shall be double their renewal fee established in subsections (a) and (b) of this section[~~$100~~].

Section 3.[~~6.~~] The fee for an annual courtesy card shall be $100 dollars.

Section 4. Apprenticeship Fees.

(1) The registration fee for an embalmer apprenticeship shall be $100.

(b) The registration fee for a funeral directors apprenticeship shall be $100.

(c) The reinstatement fee for an apprenticeship shall be fifty dollars ($50) per license.

(d) [~~7. The fee for processing an application for a continuing education program shall be $150 per program; for programs included in a conference or convention setting, the total fee shall not exceed $600.~~

~~Section 8. (1) A processing fee of twenty-five (25) dollars shall apply to all document actions not covered by other fees established by KRS Chapter 316 or this administrative regulation such as national exam score requests, out-of-state verifications, official name change requests, paper submissions of any documents or applications that are available to submit electronically, and revisions to wall licensure.~~

~~(2) A fee of sixty (60) dollars shall be assessed for any payment made to the Board pursuant to KRS Chapter 316 or these administrative regulations, where the check, draft, money order, or other financial instrument is returned by the payor's bank or financial institution for insufficient funds, or cannot otherwise be deposited into the board's account.~~

~~Section 9.~~] The registration fee for Level II funeral director registration shall be fifty (50) dollars.

(e) [~~Section 10.~~] The registration fee for Level II embalmer registration shall be fifty (50) dollars.

(f) The licensure exam fee shall be $100 per license.

Section 5. Surface Transportation Fees.

(1) The surface transportation license fee is $150.

(2) The surface transportation renewal fee is $150.

(3) The surface transportation course and examination fee is seventy-five dollars ($75).

Section 6. The inspection fees for establishments will be:

(1) A routine (only once per eighteen (18) months) or requested inspection will be $100.

(2) A re-inspection within a period of three (3) months following a routine inspection, due to a deficiency found by the Inspector of the Board of Embalmers and Funeral Directors of the Commonwealth of Kentucky on a routine inspection, shall be assess a fee of $200.

(3) If an establishment fails three (3) consecutives inspections with a period of six (6) months, any subsequent inspections required to determine if the failures have been cured shall require payment of $200 for each subsequent inspection.

Section 7. The fee for processing an application for a continuing education program shall be $150 per program; for programs included in a conference or convention setting, the total fee shall not exceed $600.

Section 8. Processing and NSF.

(1) A processing fee of twenty-five (25) dollars shall apply to all document actions not covered by other fees established by KRS Chapter 316 or this administrative regulation such as national exam score requests, out-of-state verifications, official name change requests, paper submissions of any documents or applications that are available to submit electronically, and revisions to wall licensure.

(2) A fee of sixty (60) dollars shall be assessed for any payment made to the Board pursuant to KRS Chapter 316 or these administrative regulations, where the check, draft, money order, or other financial instrument is returned by the payor's bank or financial institution for insufficient funds, or cannot otherwise be deposited into the board's account.

Section 9.[~~Section 11.~~] All fees assessed under this administrative regulation shall be nonrefundable.

CHRISTI K. MOFFETT, Executive Director

APPROVED BY AGENCY: June 29, 2021

FILED WITH LRC: June 30, 2021 at 12:56 p.m.

PUBLIC HEARING AND PUBLIC COMMENT PERIOD: A public hearing on this administrative regulation shall be held on August 23, 2021 at 9:00 a.m., via ZOOM. Individuals interested in being heard at this hearing shall notify this agency in writing by five workdays prior to the hearing, of their intent to attend. If no notification of intent to attend the hearing was received by that date, the hearing may be cancelled. A transcript of this hearing will not be made unless a written request for a transcript is made. If you do not wish to be heard at the public hearing, you may submit written comments on the proposed administrative regulation. Written comments shall be accepted until August 31, 2021. Send written notification of intent to be heard at the public hearing or written comments on the proposed administrative regulation to the contact person.

CONTACT PERSON: Christi Moffett, Executive Director of Kentucky Board of Embalmers and Funeral Directors, 9114 Leesgate Road, Suite 4, Louisville, Kentucky 40222, phone 502.426.4589 fax 502.426.4117; email christik.moffett@ky.gov.

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Contact Person: Christi Moffett

(1) Provide a brief summary of:

(a) What this administrative regulation does: This regulation brings all fees into one regulation.

(b) The necessity of this administrative regulation:
HB220 removed fees from statutes placing them in administrative regulations. The bill goes into effect 6/29/21. Our renewals start 7/1/21.

(c) How this administrative regulation conforms to the content of the authorizing statutes:

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: This administrative regulation brings all the fees into one regulation for easy access.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: All the fees will be located in one regulation

(b) The necessity of the amendment to this administrative regulation: HB220 removed fees from statutes placing them in administrative regulations. The bill goes into effect 6/29/21. Board renewals start 7/1/21.

(c) How the amendment conforms to the content of the authorizing statutes: This administrative regulation brings all the fees into one regulation since HB220 removed them; it will also provide easy access for end users.

(d) How the amendment will assist in the effective administration of the statues: This brings all the fees related to funeral services under one regulation for ease of access for end users. In recent years KBEFD has run a deficit averaging $100k seeking the state's assistance to complete the fiscal year. It is the Board's desire to be fiscally responsible and independent.

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: There are currently five hundred eleven (511) funeral related establishments in Kentucky. They would all be affected by the rate increase. The last establishment increase was in 1996. We have tiered the increase based on case counts. Potential apprentice applicants would also be impacted. The Board averages five (5) apprentices per month.

(4) Provide an assessment of how the above group or groups will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: Pay renewal or fee as defined

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3):

Apprentices will pay $75 per license

Establishments will pay the following based on their volume (case count)

Case Counts	Fee
99+	$ 450
100-299	$ 550
300-499	$ 650
500+	$ 750

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3): They will be legally licensed for a period of one year for establishments. Apprentice applications will be processed and presented to the board for consideration.

(5) Provide an estimate of how much it will cost to implement this administrative regulation:

(a) Initially: No additional cost

(b) On a continuing basis: No additional cost

(6) What is the source of the funding to be used for the implementation and enforcement of this administrative regulation? No special or additional funding will be required for implementation or enforcement.

(7) Provide an assessment of whether an increase in fees or funding will be necessary to implement this administrative regulation, if new, or by the change, if it is an amendment: These fees are not increasing; just being moved to a single regulation.

(8) State whether or not this administrative regulation establishes any fees or directly or indirectly increases any fees: This regulation gathers all the fees into one regulation. There is a fee increase for establishments based on case counts.

(9) TIERING: Is tiering applied? Yes,

Case Count	%	KBEFD # Est	Fees
99+	54%	275	$ 450
100-299	40%	204	$ 550
300-499	4%	20	$ 650
500+	2%	10	$ 750

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

(1) What units, parts, or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation?

Funeral Directors, Embalmers

Funeral Establishments and Embalming Services

Funeral Apprentices

(2) Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation.

201 KAR 15:030

KRS 316.030(4)(g)

KRS 316.030(5)(f)

KRS 316.125(2)(a)

201 KAR 15:040 Section 1(1)

201 KAR 15:040 Section 3(3)

201 KAR 15:040 Section 4(1)

201 KAR 15:050 Section 4(5)

201 KAR 15:110 Section 5(5)b

201 KAR 15:110 Section 5(5)c

201 KAR 15:110 Section 5(5)d

201 KAR 15:110 Section 5(5)e

201 KAR 15:125 Section 1(2)(b)

201 KAR 15:125 Section 2(1)

(3) Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect. None

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? None

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None

(c) How much will it cost to administer this program for the first year? No additional cost to the agency

(d) How much will it cost to administer this program for subsequent years? No additional cost to the agency

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-):

PROPOSED

Case Calls	KBEFD Facilities	Fee	Income
99+	275	$ 450	$ 123,750
100-299	204	$ 550	$ 112,200
300-499	20	$ 650	$ 13,000
500+	10	$ 750	$ 7,500
			$ 256,450

EXISTING			
Existing	KBEFD Facilities	Fee	Income

Flat Fee	510	$ 200	$ 102,000

Expenditures: None
Other Explanations: None