

REFRIGERATION FACILITY AND REMOVAL SERVICE LICENSING AND REGISTRATION

Senate Bills 544 (S-3) and 545 as reported from committee Sponsor: Sen. Veronica Klinefelt House Committee: Regulatory Reform Senate Committee: Regulatory Affairs Complete to 5-23-24 Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Analysis available at http://www.legislature.mi.gov

SUMMARY:

<u>Senate Bill 544</u> would amend the Occupational Code to prohibit the operation of a refrigeration facility or removal service for dead human bodies without a license or certificate of registration, respectively, issued by the Department of Licensing and Regulatory Affairs (LARA). The bill would allow these entities to provide certain services described below only when contracted with any of the following:

- A health facility.
- A county medical examiner.
- A funeral establishment.
- A medical school.
- An organ procurement organization.
- An institution of higher education that accepts whole body donations for research and education purposes.

Refrigeration facility license

The bill would require LARA to issue a license to operate a *refrigeration facility* to an applicant that is of good moral character, discloses their criminal history to the department, and submits an application to the department that contains all of the following information:

- The name of the applicant.
- The name the applicant will use to conduct business.
- The address of the facility.
- The name of the individual who will serve as the manager of the refrigeration facility.
- Any other information required by the department.

Refrigeration facility would mean a place of business that maintains a *holding room* and that operates independently of a funeral establishment or crematory owner.

Holding room would mean a room in a refrigeration facility that is equipped with a refrigeration unit in which a dead human body is stored.

To be approved for a license, the facility listed on the application would need to pass an inspection conducted by LARA.

Licenses would be valid for two years and only for the location listed on the application. To change the location on a license, the licensee would have to report the change immediately to LARA as prescribed by rule and would be prohibited from operating the new location until it passed an inspection by the department.

An employee of a licensed facility would have to possess identification that includes their name and license number.

In addition to the bill's requirements, licensees would have to comply with all applicable local, state, and federal laws.

Refrigeration facility management

Refrigeration facilities would have to designate an individual licensed for the practice of mortuary science as the manager of the facility to supervise the handling and sheltering of dead human bodies at the facility. The designated manager could not manage more than one refrigeration facility at a time or act as the manager of a funeral establishment while serving in the role. The manager would have to reside within 100 miles of the establishment.

Refrigeration facility required practices

Refrigeration facilities would have to have a holding room that meets all of the following:

- It is not accessible to the general public.
- It maintains a temperature between 36 degrees Fahrenheit and 39 degrees Fahrenheit.
- It complies with all other applicable public health and safety laws.

When receiving a dead body, the licensee, manager, or other authorized personnel at a refrigeration facility would have to ensure that the body is handled as follows:

- It is stored at a temperature between 36 degrees Fahrenheit and 39 degrees Fahrenheit.
- It is clothed or covered while being refrigerated.
- It is not stored directly on the ground.
- It is stored as only one dead human body per table tray or container, unless otherwise authorized by a person who has authority to make arrangements for a dead human body under section 3206 of the Estates and Protected Individuals Code.¹
- It is face up while being stored or transported.
- It is not stored over another dead human body, unless it is stored on a rack that has sufficient strength to support it.

If a facility is not contacted by an entity that it has contracted with regarding a dead human body within 14 days of receiving it, the manager would have to contact the medical examiner described in section 3206 of the Estates and Protected Individuals Code to proceed with final disposition of the body.

Refrigeration facility exclusions

The bill would not require any of the following to obtain a license before operating a refrigeration facility:

- A health facility.
- A medical school.
- An organ procurement organization.
- An institution of higher education that accepts whole body donations for research and education purposes.

Removal service registration

The bill would require LARA to issue a certificate of registration to operate a *removal service* to an applicant that is of good moral character, discloses their criminal history to the

¹ <u>https://www.legislature.mi.gov/Laws/MCL?objectName=MCL-700-3206</u>

department, and submits an application to the department that contains all of the following information:

- The name of the applicant.
- The name the applicant will use to conduct business.
- The address of the removal service.
- The name of the individual who will serve as the manager of the service.
- Any other information required by the department.

Removal service would mean a person that operates independently of a funeral establishment and that handles the initial removal of a dead human body and transports the dead human body in an authorized vehicle to and from an *authorized person*.

Authorized person would mean an entity a registrant is allowed to contract with as described above.

An employee of a registered removal service would have to possess identification that includes their name and registration number.

In addition to the bill's requirements, removal service registrants would have to comply with all applicable local, state, and federal laws.

Removal service vehicles

The department would have to conduct an inspection of each vehicle that will be used to transport dead human bodies by the removal service to ensure that the vehicle meets all of the following:

- It is enclosed.
- It is constructed to secure the body face up in the vehicle.
- It is used only for the retrieval and transport of dead human bodies.

LARA would issue a decal to a registrant for each authorized vehicle. The decal would have to be displayed as prescribed by rule.

Transportation of dead human bodies

The bill would prohibit a removal service registrant from transporting a dead human body unless either of the following applies:

- The registrant has received authorization to transport a dead human body from a holder of a license for the practice of mortuary science, a county medical examiner, or an organ procurement agency.
- The registrant is transferring a dead human body from a health facility to a licensed refrigeration facility.

When transporting a dead body, a registrant would have to conceal it from public view and place it face up in a body bag or rigid container to withstand transportation and prevent bodily fluids from leaking and odors from escaping. In a vehicle that can transport multiple bodies at once, the bodies would have to be placed face up in separate body bags or containers and secured with space between the bodies to prevent contact between them.

Registrants would have to disinfect a container that was used in the removal of a body before it could be used again.

Removal service required equipment

Removal service registrants would have to have at least all of the following equipment kept in a clean and sanitary manner and available whenever a dead human body is stored or in transit:

- One lightweight body bag and one heavyweight body bag.
- A cot that is secured or restrained inside an authorized vehicle to prevent movement during transport.
- A cot cover for each cot used.
- A first-aid kit.
- A fire extinguisher.
- Protective clothing that meets the needs of the registrant's employees that accompany the removal of a dead human body, including disposable gowns, shoe covers, protective eyewear, gloves, masks, or waterproof aprons.

Additional inspections

In addition to the initial inspections required by the bill, LARA could conduct random inspections of the facilities, locations, or vehicles of licensees or registrants. All licensees and registrants would have to allow the department's representative to enter the premises during regular business hours for these random inspections.

Tracking system

The bill would require LARA to establish a system for identifying a dead human body received by a licensee or registrant for removal. The system would have to be able to track the identity of the body from when it is received by the licensee or registrant to when it is delivered to an authorized person.

Promulgation of rules

The bill would authorize LARA to promulgate rules under the Administrative Procedures Act to implement the bill's provisions.

Proposed MCL 339.1851 et al.

<u>Senate Bill 545</u> would amend the State License Fee Act to establish the fees associated with licensure and registration of refrigeration facilities and removal services as follows:

License/Registration	Refrigeration Facility	Removal Service
Application processing fee	\$225	\$225
Registration fee (every two years)	\$300	\$300
Initial inspection fee	\$300	\$300, plus \$50 for each additional vehicle

Proposed MCL 338.2243a

Neither bill would take effect unless both were enacted.

BRIEF DISCUSSION:

According to committee testimony, Michigan currently lacks any regulation of removal services or refrigeration facilities, which have grown more common in the wake of the COVID-19 pandemic. Supporters of the bill argue that the lack of oversight has led to well-publicized issues, such as bodies being lost or falling out of vehicles. They argue that the bills bring Michigan in line with other states and help to ensure a level of protection for dead bodies.

FISCAL IMPACT:

Senate Bills 544 and 545 would likely result in both increased costs and revenues for the Department of Licensing and Regulatory Affairs.

The department currently anticipates costs from SB 544 to total approximately \$276,000. This cost estimate would include hiring a regulation agent to conduct inspections and hiring a departmental analyst to process applications and manage documents. This figure does not include any potential information technology costs that may arise, which are currently indeterminate.

Senate Bill 545 would establish fees for the new license types. Revenue collected from these fees would depend on the volume of licenses and applications. Therefore, it cannot currently be estimated whether revenues under the bills would sufficiently offset the department's costs.

POSITIONS:

Representatives of the following entities testified in support of the bills (5-14-24):

- Department of Licensing and Regulatory Affairs
- Heritage Services
- Michigan Funeral Directors Association

The following entities indicated support for the bills (5-14-24):

- Healthcare Association of Michigan
- Michigan Health & Hospital Association

Legislative Analyst: Alex Stegbauer Fiscal Analyst: Marcus Coffin

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.