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BILL ANALYSIS



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House Bill 4362 (Substitute H-1 as passed by the House)
House Bill 4363 (Substitute H-1 as passed by the House)
House Bill 4364 (as passed by the House)
Sponsor: Representative Felicia Brabec (H.B. 4362)
Representative Cynthia Neeley (H.B. 4363)
Representative Natalie Price (H.B. 4364)
House Committee: Health Policy
Senate Committee: Health Policy

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INTRODUCTION

Together, the bills would require the Department of Treasury to create an anatomical gift donor registry schedule and allow a taxpayer to opt-in to the registry on the taxpayer's annual State income tax return. The bills also would require the Department to share this information with the Secretary of State (SOS) for the maintenance of an organ donor registry. Finally, the bills would prescribe confidentiality requirements concerning the information collected under the bills.

The bills are tie-barred.

FISCAL IMPACT

House Bill 4362 (H-1) would add one-time and ongoing costs to the Department to update the State tax forms and to develop and track the donor registry schedule. The tax form changes should be supported with current appropriations that are used to annually update tax forms from year to year. The ongoing costs to develop and track the donor registry would require additional staff and costs that could be greater than current appropriations. The bill would have no fiscal impact on the Department of Health and Human Services, the SOS, or local units of government.

House Bill 4363 (H-1) would have a minor fiscal impact on the Department of Treasury to transmit the donor registry schedule to Department of State. These costs are likely to be supported with current appropriations.

House Bill 4364 would have no fiscal impact on the Department of Treasury as the confidentiality policy would be similar to the Department's current confidentiality policies.

MCL 206.471 et al. (H.B. 4362)
MCL 333.10120 et al. (H.B. 4363)
MCL 205.28 (H.B. 4364)

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CONTENT

House Bill 4362 (H-1) would amend the Income Tax Act to prescribe requirements for creating and administering an organ donor registry schedule that would allow a taxpayer to join the donor registry when filing an annual State income tax return. The bill would require the Department of Treasury to share the information gathered on the donor registry schedule with the SOS.

House Bill 4363 (H-1) would amend the Public Health Code to allow an organ donor to make an anatomical gift upon the donor's death after completing and filing a donor registry schedule with an annual State income tax return.

House Bill 4364 would amend the revenue Act to allow a person required to disclose information from the donor registry to share that information with the appropriate organizations, namely the Department and the SOS.

House Bill 4362 (H-1)

State Income Tax Return

Generally, Chapter 8 of the Income Tax Act governs the administration of taxes, the forms and rules that govern taxes, and the information on tax returns and instruction booklets that are distributed to the public.

Under the bill, beginning with the 2023 tax year, the annual State income tax return would have to contain a space for the individual taxpayer to indicate if the taxpayer were willing to participate in the anatomical gift donor registry. The annual State income tax return also would have to include the following statement under that space: "An individual taxpayer willing to participate in the anatomical gift donor registry must complete the donor registry schedule and submit it with the taxpayer's State income tax return."

Instruction Booklet

Beginning with the 2023 tax year, the instruction booklet that accompanies the annual State income tax return would have to include information describing the donor registry program maintained by Michigan's organ procurement organization. This information would have to explain the taxpayer's right to make an anatomical gift in the event of death and would have to provide the taxpayer with the opportunity to specify, in a form and manner as prescribed by the Department on the taxpayer's annual return, that the individual taxpayer was willing to participate and have the taxpayer's name placed on the donor registry.

("Organ procurement organization" means a person certified or recertified by the Secretary of the United States Department of Health and Human Services as a qualified organ procurement organization under Federal law. The bill specifies that this would have to be Michigan's Federally designated organ procurement organization or its successor organization.)

Donor Registry Schedule

Beginning with the 2023 tax year, the Department would have to develop and utilize a donor registry schedule that could be filed with a taxpayer's annual State income tax return to specify that an individual taxpayer agreed to participate in the donor registry and would be willing to make an anatomical gift in the event of death. The donor registry schedule would have to include all the following information:

- The individual taxpayer's name, date of birth, address, and either the taxpayer's social security number, driver's license number, or State personal identification card number.
- Information describing the donor registry program, including the address and telephone number of Michigan's organ procurement organization.
- Information that if the taxpayer completed and filed the donor registry schedule on the taxpayer's annual State income tax return, the Department would forward the information to the SOS for that individual to be included as a donor on the donor registry maintained by the SOS.

For taxpayers who file a joint return, each individual taxpayer that agreed to participate in the donor registry would have to affirm separately the individual's willingness to be placed on the donor registry by completing the donor registry schedule. The Department would forward each donor registry schedule filed with an annual State income tax return to the SOS. The Department and the SOS would have to determine the manner and frequency that the donor registry schedule filed with an annual State income tax return would have to be forwarded from the Department to the SOS.

Information about an individual taxpayer's indication of a willingness to have the individual's name placed on the donor registry that the Department obtained and forwarded to the SOS would be exempt from disclosure under the Freedom of Information Act. The Department would not be required to maintain a record of an individual taxpayer who did not indicate a willingness to have the individual's name placed on the donor registry.

House Bill 4363 (H-1)

Generally, Part 101 (Revised Uniform Anatomical Gift Law) of the Public Health Code governs the anatomical gift donor registry, a registry which tracks the donation of all or part of a human body to take effect after the donor's death for the purpose of transplantation, therapy, research, or education, otherwise known as an anatomical gift or organ donation.

Part 101 prescribes how a donor may make an anatomical gift, such as by authorizing a statement or symbol indicating such on the donor's driver license or identification card. Under the bill, an organ donor could make an anatomical gift after completing and filing a donor registry schedule with the donor's annual State income tax return as provided in House Bill 4362 (H-1).

The bill also would require the Department to transmit the donor registry schedule filed by each individual who opted into the donor registry to the SOS. The SOS would have to maintain a record of each donor registry schedule received from the Department and add each individual to the donor registry.

House Bill 4364

Generally, the revenue Act governs conditions applicable to the administration of taxes and establishes the revenue collection duties of the Department. The Act prohibits the disclosure of facts or information obtained in connection with the administration of taxes.

The bill would allow a person required to disclose information as required in House Bill 4362 (H-1) and House Bill 4363 (H-1) to do so only to those organizations described in those bills for the administration of the donor registry program.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent