

**Department of Legislative Services**  
Maryland General Assembly  
2001 Session

**FISCAL NOTE**

House Bill 1036  
Economic Matters

(Delegates Barve and Donoghue)

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**Cemetery Corporations - Authority to Operate Funeral Establishments**

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This bill specifies the conditions under which the State Board of Morticians may issue a corporate license to operate a funeral establishment to a corporation that is owned or controlled by a registered cemeterian or permit holder. The bill requires the Office of Cemetery Oversight to certify to the State Board of Morticians, after the applicant has submitted satisfactory evidence, that the registered cemeterian or permit holder meets the specified requirements. The bill also provides that a corporate officer or director must sign a funeral establishment license application on behalf of a corporation that is certified under the provisions of the bill.

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**Fiscal Summary**

**State Effect:** The bill's requirements could be handled with existing budgeted resources.

**Local Effect:** None.

**Small Business Effect:** Potential meaningful.

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**Analysis**

**Current Law:** A funeral establishment must be licensed by the State Board of Morticians before it can prepare remains for viewing or conduct services. In order to be licensed, a funeral establishment must be owned and operated by at least one licensed mortician or funeral director or a holder of a surviving spouse or corporate license.

**Small Business Effect:** Most of the over 1,000 cemeteries in Maryland are small businesses. The provisions of this bill could result in a greater level of consolidation

within the death needs industry by encouraging the entry of larger firms that can take advantage of economies of scale that smaller firms cannot realize. Smaller firms would then face stronger competition with respect to prices, revenues, and profits.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Office of the Secretary of State; Office of Administrative Hearings; Department of Labor, Licensing, and Regulation (Office of Cemetery Oversight); Department of Legislative Services

**Fiscal Note History:** First Reader – March 5, 2001  
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Analysis by: Brian D. Baugus

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510