Department of Legislative Services

Maryland General Assembly 2013 Session

FISCAL AND POLICY NOTE

House Bill 1221 (Delegates Vitale and Ready) Health and Government Operations

State Board of Morticians and Funeral Directors - Practice of Mortuary Science - Trade Names

This bill authorizes a licensee of the State Board of Morticians and Funeral Directors to practice mortuary science under a name other than the name that appears on that person's license.

Fiscal Summary

State Effect: None. The change is procedural in nature and does not directly affect governmental finances.

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Current Law: A licensee may not practice mortuary science under any name other than the name that appears on that person's license, except in cases where the name appearing on the license may be a trade or copyrighted name that may be sold to another licensee as part of the goodwill of the funeral establishment. If the sale of the trade name or copyrighted name is made part of a sale of a funeral establishment, the buyer must notify the board of the sale of the trade or copyrighted name and apply for a funeral license in the name of the new owner. The funeral establishment license must indicate the trade or copyrighted name will continue to be used by the new owner. The sale of a funeral establishment does not preclude the buyer from advertising the funeral establishment as the successor to the funeral establishment acquired.

Signs and advertisements of a funeral establishment must display the name that appears on the establishment license.

Background: According to the board, in recent years board policy has been that a funeral establishment license must reflect both the name/trade name of the establishment and the actual name of the licensee that runs the establishment (if different). For example, John Doe may purchase ABC Funeral Services, but the license would be approved as ABC Funeral Services by John Doe. This policy is intended to allow establishments to use a trade name while providing transparency to consumers so that they know who owns the business they are receiving services from.

According to the Maryland State Funeral Directors Association, the bill is intended to authorize a funeral establishment to use whatever name it would like on its signs and in its advertising to allow more flexibility for different business models.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Maryland State Funeral Directors Association, Department of

Health and Mental Hygiene, Department of Legislative Services

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