

SENATE BILL 104

C2

0lr1116

(PRE-FILED)

By: **Senator Young**

Requested: October 30, 2019

Introduced and read first time: January 8, 2020

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Office of Cemetery Oversight – Cemetery Financial Statement – Requirements**

3 FOR the purpose of altering the items that are required to be included with a financial
4 statement submitted to the Director of the Office of Cemetery Oversight to allow, at
5 the election of the business, a certain business to submit certain tax returns instead
6 of a certain financial stability statement; and generally relating to financial
7 statements and cemeteries.

8 BY repealing and reenacting, with amendments,
9 Article – Business Regulation
10 Section 5–304
11 Annotated Code of Maryland
12 (2015 Replacement Volume and 2019 Supplement)

13 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
14 That the Laws of Maryland read as follows:

Article – Business Regulation

16 5–304.

17 (a) Each applicant designated as the responsible party shall demonstrate the
18 financial stability of the business with which the applicant is affiliated by providing the
19 Director with a financial statement or other reports required under subsection (e) of this
20 section with the application for registration.

21 (b) If the business is a cemetery that sells burial goods and is an existing business,
22 the financial statement shall:

23 (1) be on the form that the Director requires;

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (2) contain a statement by a certified public accountant retained by the
2 business, detailing the assets and liabilities of the cemetery for the last fiscal year; and

3 (3) contain:

4 **(I)** a review by the certified public accountant as to the financial
5 stability of the cemetery; **OR**

6 **(II)** **AT THE ELECTION OF A BUSINESS THAT HAS BEEN IN**
7 **OPERATION FOR 5 OR MORE CONSECUTIVE YEARS, THE FEDERAL TAX RETURNS**
8 **FILED BY THE BUSINESS FOR THE PRIOR YEAR.**

9 (c) If the business is an existing cemetery that does not sell burial goods or an
10 existing burial goods business not affiliated with a cemetery, the applicant shall:

11 (1) complete a form that the Director requires; and

12 (2) satisfy criteria that the Director adopts under subsection (e) of this
13 section.

14 (d) If the business is a new business, the applicant shall:

15 (1) complete a form that the Director requires; and

16 (2) satisfy criteria that the Director adopts under subsection (e) of this
17 section.

18 (e) (1) The Director shall make a determination of the financial stability of
19 each applicant based on criteria that the Director adopts for each class of business.

20 (2) The Director shall adopt separate criteria to determine the financial
21 stability of applicants that are new businesses or existing businesses.

22 (3) The Director shall require that all financial statements of a new
23 cemetery submitted under subsection (d) of this section be prepared by a certified public
24 accountant retained by the business.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 October 1, 2020.