
By: Delegates Morhaim, Harrison, and Muse (Task Force to Examine the State's Cemetery and Funeral Industry)

Introduced and read first time: January 22, 1997

Assigned to: Environmental Matters

A BILL ENTITLED

1 AN ACT concerning

2 **Mortuary Science Businesses - Corporations**

3 FOR the purpose of altering certain provisions to allow a corporation to operate a
4 mortuary science business; requiring the State Board of Morticians to issue a license
5 to certain corporations for the operation of a mortuary science business; repealing a
6 provision that restricts the corporate licenses that the Board may renew; repealing a
7 provision that prohibits certain corporations from operating certain branch funeral
8 establishments; and generally relating to corporations operating mortuary science
9 businesses.

10 BY repealing and reenacting, with amendments,
11 Article - Health Occupations
12 Section 7-309
13 Annotated Code of Maryland
14 (1994 Replacement Volume and 1996 Supplement)

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

17 **Article - Health Occupations**

18 7-309.

19 (a) [Except as otherwise provided by law, a] (1) A corporation may [not]
20 operate a mortuary science business [and the].

21 (2) THE Board [may not] SHALL issue a license to [or list any corporation
22 as licensed to] operate a mortuary science business TO A CORPORATION THAT:

23 (I) SUBMITS AN APPLICATION ON A FORM REQUIRED BY THE
24 BOARD; AND

25 (II) PAYS A FEE SET BY THE BOARD.

26 (b) The Board may renew only the license of a corporation that:

27 (1) [On June 1, 1945, held a license issued by this State;

28 (2) Has been renewed continuously since that date;

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1 (3)] Submits an application on a form required by the Board; and

2 [[4)] (2) Pays a fee set by the Board.

3 (c) Each application FOR A LICENSE OR for renewal made by a corporation shall
4 state the name and address of each officer and director of the corporation.

5 (d) While a corporation license is effective, it authorizes a corporation to operate
6 a mortuary science business only if any practice of mortuary science that is conducted for
7 the corporation is practiced by a licensed individual.

8 [(e) A corporation may not operate a branch funeral establishment unless the
9 branch funeral establishment was in operation on or before October 1, 1964.]

10 [(f)] (E) If a corporation is sold, declares bankruptcy, or ceases to operate,
11 written notice must be submitted to:

12 (1) The Board, within 2 weeks of the occurrence, detailing the changes and
13 the arrangements for carrying out the pre-need contracts and disbursement of the money
14 held in escrow; and

15 (2) The holders of pre-need contracts advising them of their options under
16 Maryland law.

17 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
18 October 1, 1997.