

HOUSE BILL 107

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HB 591/98 - ENV

1999 Regular Session  
9r1013

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By: **Delegate Morhaim**

Introduced and read first time: January 25, 1999

Assigned to: Environmental Matters

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A BILL ENTITLED

1 AN ACT concerning

2 **Mortuary Science Business - Corporations - Licenses**

3 FOR the purpose of allowing the State Board of Morticians to issue to a corporation a  
4 license to operate a mortuary science business; limiting the number of licenses  
5 in certain years; providing for the use of a lottery to issue licenses under certain  
6 circumstances; providing that if a license is not used in a certain period it shall  
7 be void; requiring certain reports; placing certain restrictions on the transfer of  
8 a corporate license; eliminating certain requirements for renewal of a license;  
9 and generally relating to allowing corporations to obtain licenses to operate  
10 mortuary science businesses.

11 BY repealing and reenacting, with amendments,  
12 Article - Health Occupations  
13 Section 7-309  
14 Annotated Code of Maryland  
15 (1994 Replacement Volume and 1998 Supplement)

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

18 **Article - Health Occupations**

19 7-309.

20 (a) (1) [Except as otherwise provided by law, a] A corporation may [not]  
21 OBTAIN A LICENSE TO operate a mortuary science business [and] FROM the Board  
22 [may not issue a license to or list any corporation as licensed to operate a mortuary  
23 science business] AS PROVIDED IN THIS SECTION.

24 (2) THE BOARD MAY ISSUE:

25 (I) NO MORE THAN 10 CORPORATE LICENSES IN EACH OF THE  
26 CALENDAR YEARS 1999, 2000, AND 2001; AND

27 (II) ANY NUMBER OF CORPORATE LICENSES AFTER 2001.

1 (3) IF A CORPORATE LICENSE IS NOT USED FOR THE PRACTICE OF  
2 MORTUARY SCIENCE IN ANY 2-YEAR PERIOD, THE LICENSE IS VOID.

3 (4) IF A CORPORATE LICENSE IS SOLD OR OTHERWISE TRANSFERRED,  
4 THE CONSIDERATION FOR THE TRANSFER OF THE LICENSE MAY NOT EXCEED THE  
5 AMOUNT OF THE FEE PAID TO THE BOARD.

6 (b) The Board may renew [only] the license of a corporation that:

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

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

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

10 [(4)] (2) Pays a fee set by the Board.

11 (c) Each application for renewal made by a corporation shall state the name  
12 and address of each officer and director of the corporation.

13 (d) While a [corporation] CORPORATE license is effective, it authorizes a  
14 corporation to operate a mortuary science business only if any practice of mortuary  
15 science that is conducted for the corporation is practiced by a licensed individual.

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

18 (f) If a corporation is sold, declares bankruptcy, or ceases to operate, written  
19 notice must be submitted to:

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

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

25 SECTION 2. AND BE IT FURTHER ENACTED, That if the number of  
26 applicants for a corporate license under § 7-309(a)(2) of the Health Occupations  
27 Article exceeds the number of available licenses in calendar years 1999, 2000, or  
28 2001, the State Board of Morticians shall implement a lottery to determine which  
29 eligible applicant shall receive a license.

30 SECTION 3. AND BE IT FURTHER ENACTED, That the State Board of  
31 Morticians shall report annually to the General Assembly, in accordance with §  
32 2-1246 of the State Government Article, on the granting of corporate licenses, and  
33 may make any recommendations for changes in the law relating to those licenses.

34 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect  
35 October 1, 1999.