

HOUSE BILL 188

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HB 107/99 - ENV

2000 Regular Session
0lr1477

By: **Delegates Morhaim and Owings**

Introduced and read first time: January 20, 2000

Assigned to: Environmental Matters

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 the State Board of Morticians may issue in certain years; providing for the use of
6 a lottery to issue licenses under certain circumstances; providing that if a
7 license is not used in a certain period it shall be void; requiring certain reports;
8 placing certain restrictions on the transfer of a corporate license; eliminating
9 certain requirements for renewal of a license; and generally relating to allowing
10 corporations to obtain licenses to operate 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 1999 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 2000, 2001, AND 2002; AND

27 (II) ANY NUMBER OF CORPORATE LICENSES AFTER 2002.

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 2000, 2001, or
28 2002, 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, 2000.