

Department of Legislative Services
 Maryland General Assembly
 2001 Session

FISCAL NOTE

House Bill 85	Chairman ECM (Dept)	
	(Departmental – Labor, Licensing and Regulation)	
Economic Matters		Finance

Office of Cemetery Oversight - Scope of Authority

This departmental bill generally corrects, revises, and updates the Maryland Cemetery Act of 1997. The bill clarifies the definition of interest charged, provides for licensing exemptions for municipal and veterans’ cemeteries, expands the Office of Cemetery Oversight’s (OCO) authority to conduct and fund audits, and revises the procedures for financial review of licensed cemeteries and burial goods businesses. These provisions of the bill are effective July 1, 2001.

The bill also requires that all new regulated cemeteries be required to establish a perpetual care trust fund. This provision becomes effective on October 1, 2001.

Fiscal Summary

State Effect: None. The bill generally clarifies and updates current law.

Local Effect: None.

Small Business Effect: The Department of Labor, Licensing, and Regulation (DLLR) has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Current Law: The Maryland Cemetery Act of 1997 established the Office of Cemetery Oversight. The OCO is charged with regulating the cemetery and burial goods industry. There are some exceptions, including veterans' cemeteries. These cemeteries are exempt from State regulation by Title 38 of the United States Code. Cemeteries operated by a local governmental jurisdiction are not exempt from State regulation, but there are no cemeteries in Maryland run by a local government at this time.

The OCO Director is authorized to determine the financial stability of each applicant, but there is not stated authority to request financial documents prepared by a certified public accountant.

Background: The Department of Labor, Licensing, and Regulation has had three years of experience with the OCO, which is almost a complete licensing cycle. In that time certain errors, omissions, and ambiguities in the law have become apparent. This bill attempts to improve the OCO's ability to fulfill its statutory requirements by clarifying certain parts of the Act and correcting certain inconsistencies.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader – January 22, 2001
jm/jr

Analysis by: Brian D. Baugus

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510