

Department of Legislative Services  
Maryland General Assembly  
2007 Session

FISCAL AND POLICY NOTE

House Bill 585  
Economic Matters

(Delegate Hecht, *et al.*)

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Cemeteries - Construction or Development of Garden Crypts and Mausoleum  
Crypts

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This bill requires the proprietor of a garden or mausoleum crypt to begin construction within four years after the date of the first sale of space in an undeveloped crypt section. Construction of the garden or mausoleum crypt must be completed within five years of the initial sale.

The bill applies to all sales of space in undeveloped garden and mausoleum crypts made after October 1, 2007.

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Fiscal Summary

**State Effect:** None. Any additional disciplinary actions could be handled with existing resources.

**Local Effect:** None.

**Small Business Effect:** Potential minimal.

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Analysis

**Current Law:** The Office of Cemetery Oversight in the Department of Labor, Licensing, and Regulation oversees registration and permitting of individuals and businesses engaged in the operation of cemeteries and the sale of burial goods and services. The provisions of the Maryland Cemetery Act do not apply to the operation of a funeral establishment, a licensed funeral director, or a licensed mortician.

Generally, an individual or business entity must register or obtain a permit from the office in order to operate a cemetery or provide burial goods in the State. An individual applicant must be 18 years old, of good character and standing, and able to show that the cemetery or burial goods business they are affiliated with is financially stable. A business entity must designate a registered cemeterian or burial goods seller as a responsible party for each cemetery or burial goods business it owns, disclose certain personnel and contact information, and meet financial stability requirements.

State law does not establish a required timeframe for construction of garden or mausoleum crypts.

**Background:** The Office of Cemetery Oversight has received several inquiries from consumers regarding the required timeframe for completing construction of pre-purchased mausoleum space. In some instances, consumers have died before construction of the crypts was completed, resulting in the temporary interment of the deceased pending completion of the garden or mausoleum crypt.

Maryland consumers are permitted to cancel a preneed contract if burial goods or services have not been delivered and the buyer moves more than 75 miles from the cemetery. This provision does not apply to burial spaces in the ground or in a mausoleum.

**State Fiscal Effect:** Because the bill would apply only to sales of undeveloped crypts made after October 1, 2007, the bill would have no anticipated effect until fiscal 2012. At that time, the Office of Cemetery Oversight could experience a marginal increase in enforcement actions; however, the office advises that the majority of disciplinary actions have been resolved without formal hearings. It is assumed that any additional workload resulting from the bill could be handled with existing resources.

**Small Business Effect:** The bill would require developers of garden or mausoleum crypts to initiate and complete construction within a certain time period after selling crypt space. Because it is assumed that developers would have constructed this space at some future date regardless of this legislation, the bill is not expected to have a significant fiscal impact on these businesses.

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### **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 - February 27, 2007  
mam/ljm

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