

Department of Legislative Services  
Maryland General Assembly  
2025 Session

FISCAL AND POLICY NOTE  
First Reader

Senate Bill 957  
Finance

(Senator Waldstreicher)

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**Morticians and Funeral Directors - Not-For-Profit Funeral Establishments**

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This bill expands the definition of “corporation” for purposes of funeral establishment licensure to include a not-for-profit organization exempt from taxation under § 501(c)(3) of the Internal Revenue Code. The State Board of Morticians and Funeral Directors may issue and renew a corporation license to a not-for-profit organization that (1) has the stated purpose of practicing funeral direction; (2) submits an application; and (3) pays a fee set by the board. A not-for-profit organization licensed as a funeral establishment under a corporation license may operate a branch funeral establishment. The application for a corporation license for a not-for-profit organization must be signed by a licensed individual who conducts the practice of mortuary science or funeral direction for the not-for-profit organization. The board must issue a funeral establishment license to a funeral establishment that will be owned and operated by a not-for-profit organization that employs a licensed mortician, licensed funeral director, or holder of a surviving spouse license.

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**Fiscal Summary**

**State Effect:** The board can handle the bill’s requirements using existing budgeted resources. Any impact on board special fund revenues is indeterminate but anticipated to be minimal, as discussed below.

**Local Effect:** None.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** The primary purpose of the State Board of Morticians and Funeral Directors is the protection of the public’s health and welfare through proper credentialing;

examination; licensure; and discipline of morticians, funeral directors, corporations, crematory operators, reduction facility operators, apprentices, surviving spouses, mortuary transport services, transporters, courtesy card holders, and holders of an executor license in Maryland. The board also licenses, permits, and inspects funeral establishments and specified crematories for compliance with all applicable federal, State, and local laws and takes disciplinary action against such establishments where warranted. The board has jurisdiction over crematories and reduction facilities that are majority-owned by its licensees.

“Practice funeral direction” means (1) to operate a funeral establishment; (2) for compensation, to prepare a dead human body for disposition; or (3) for compensation, to arrange for or make final disposition of a dead human body.

“Practice mortuary science” includes (1) the practice of funeral direction and (2) disinfecting or preserving a dead human body or any of its parts by arterial or cavity injection.

“Surviving spouse” means the legal widow or widower of a licensed funeral director or licensed mortician, whose license was in good standing at the time of death, and who at the time of death, wholly or partly owned and operated a mortuary science business.

A personal representative of a deceased mortician’s, funeral director’s, or surviving spouse’s estate must be issued an executor license by the board before continuing operation of the mortuary science business.

### *Funeral Establishment License*

A funeral establishment must be licensed by the board before the establishment may be used for the preparation of remains, viewing, or conducting of services. An application for a funeral establishment license must be signed by a licensed individual who is not an apprentice but is the owner or co-owner of the establishment to be licensed. The board must issue a funeral establishment license to a funeral establishment that has complied with all applicable State and local laws and will be (1) owned and operated by an individual who is, or a group of individuals in which each individual, a licensed mortician, a licensed funeral director, or holder of a surviving spouse license; (2) owned and operated by a holder of a corporation license; or (3) operated by a holder of an executor license.

Each licensed funeral establishment must have a supervising mortician, whose license must be in good standing with the board. The supervising mortician must complete registration required by the board and must be (1) held responsible for all activities performed on behalf of the funeral establishment with the knowledge or at the direction of the supervising

mortician and (2) limited to supervising one funeral establishment with an embalming facility and no more than three funeral establishments, as specified.

### *Corporation License*

For purposes of funeral establishment licensure, “corporation” means a mortuary science business whose articles of incorporation are in good standing with the State Department of Assessments and Taxation, or its successor, the initial business for which the license is issued must have been incorporated on or before June 1, 1945, and have “Incorporated,” “Inc.,” or “Corporation” in its name. “Corporation” does not include, for purposes of issuing a corporation license, a “professional association” or a “professional corporation.”

Except as otherwise provided by law, a corporation may not operate a mortuary science business, and the board may not issue a license to any corporation to operate a mortuary science business. The board may renew only the license of a corporation that (1) on June 1, 1945, held a Maryland license; (2) has been renewed continuously since that date; (3) submits an application; and (4) pays a fee set by the board.

While a corporation license is effective, it authorizes a corporation to operate a mortuary science business only if any practice of mortuary science that is conducted is practiced by a licensed individual. A corporation may not operate a branch funeral establishment unless it was in operation on or before October 1, 1964.

**State Revenues:** Board special fund revenues may increase, beginning as early as fiscal 2026, as qualified not-for-profit organizations seek a corporation license under the bill. The fee for both an initial corporation license and the biennial renewal fee is \$975. As the number of not-for-profit organizations that may seek licensure under the bill is unknown, this impact cannot be reliably estimated at this time.

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## **Additional Information**

**Recent Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** HB 1051 (Delegate Kaiser, *et al.*) - Health and Government Operations.

**Information Source(s):** Maryland Department of Health; Department of Legislative Services

**Fiscal Note History:** First Reader - February 23, 2025  
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