

February 21, 2025

Chairwoman Senator Pamela Beidle Vice-Chair Senator Antonio Hayes Senate Finance Committee Maryland General Assembly 3 East Miller Senate Office Building Annapolis, MD 21401

Re: OPPOSITION to Senate Bill 0957 – Not-for-Profit Funeral Establishments

Dear Chairwoman Beidle, Vice-Chair Hayes, and Members of the Senate Finance Committee:

My name is Victor C. March, and I am the Chief Executive Officer of March Funeral Home East, Inc., March Funeral Home West, Inc., March-Life Tribute Center - P.A. - Randallstown, March Life Tribute Center – Laurel, P.A., Marshall-March Funeral Home of Maryland, Inc., Marshall-March Funeral Home LLC, March Funeral Homes of Virginia, Inc., and King Memorial Park, Inc. Our companies employ more than 130 employees in Maryland throughout Baltimore City, Baltimore County, and Prince George's County.

I write to express my STRONG OPPOSITION to Senate Bill 0957.

Senate Bill 0957 is a violation of Health Occupations Article §7-309

As the past president of the Maryland Board of Morticians and Funeral Directors, I am knowledgeable of the regulations pertaining to funeral service in Maryland. Not-for-profit corporations do not have owners. Not-for-profit corporations have a Board of Directors that direct, control, and operate the Not-for-profit corporation. Senate Bill 0957 would permit individuals, uneducated and untrained in funeral service, to control and operate a funeral establishment and their respective preneed funds in Maryland, to the severe detriment of the Maryland consumer. Health Occupations 7-309 of the Annotated Code of Maryland is written to intentionally restrict ownership of funeral establishments to individuals educated and trained in funeral service in order to protect the consumer. Health Occupations Article §7-309 restricts ownership of funeral establishments to (1) licensed funeral directors and morticians, (2) executor licensees, (3) spousal licensees, and (4) corporate licensees in existence prior to 1946, who have continually renewed their license. Senate Bill 0957 attempts to dismiss the protections to the consumer to unnecessary risks of unlicensed individuals uneducated and untrained in funeral service to control and operate a funeral establishment through the guise of a Not-for-Profit corporation.

Senate Bill 0957 will cause the price of the average funeral to increase in Maryland.

If Senate Bill 0957 is passed, Not-for-profit funeral establishments will be allowed to unfairly compete with For-profit funeral establishments. There are a finite number of funerals each year. If Not-for-Profit corporations and For-profit funeral establishments must compete for the same volume of funeral business each year, there will be a decline in the case volume at a For-Profit funeral establishment. Declining case volume will have a snowball effect and require management of For-

Profit funeral homes to either (a) increase prices to service their existing debt structure, or (b) necessitate the reduction in work force, through layoffs, or both. Senate Bill 0957 will not only harm the consumer, but it will injure numerous individuals who work in funeral service in Maryland and their families.

Senate Bill 0957 will decimate my family's investment of \$750,000 in three corporate licenses, and every other Marylander's investment in corporate licenses.

As a family of funeral service providers in Maryland who have had to work hard, plan, and save our money to purchase three corporate licenses in effect since 1946, We are abhorred at the possibility that Senate Bill 0957 could erase from our balance sheet the years of investment to acquire a corporate license, which has a market value of no less than \$250,000.00 each. Many Maryland family owned and operated funeral service corporations carry their corporate licenses as an asset on their balance sheets to assist with financing and investment in new vehicles, infrastructure, and improvements to quality facilities consumers of funeral service have come to expect. If Senate Bill 0957 were to pass, my family would immediately lose \$750,000 from our balance sheet. Senate Bill 0957 could potentially create devastating financial losses for many Maryland corporate licensees from which they may never recover.

Senate Bill 0957 relaxes current regulatory standards, which unnecessarily exposes the Maryland consumer to potential negligence and risk of harm.

Corporations, by their very nature, are structured to prevent liability to the owners and operators of the corporate entity. Senate Bill 0957 would relax the regulatory standards of Title 7 of Health Occupations and permit unlicensed individuals to control the operations of a funeral establishment under the guise of being Not-for-profit. Individuals with a criminal history can form a Not-for-Profit Corporation to own a funeral establishment and sit on the Board of Directors. Does Maryland really want such individuals controlling hundreds of thousands of dollars in Pre-Need revenue? We must ask what risk does the Not-for-Profit Corporation pose to the Maryland Consumer? The Not-for-Profit status of a corporation is not a compelling reason to overturn Health Occupations §7-309 and allow individuals, unlicensed and uneducated in funeral service, to control and run a funeral establishment and subsequent Pre-need monies collected from Marylanders. The lack of education, training, and licensure by individuals who desire to open and run a Not-for-Profit funeral establishment unnecessarily exposes Marylanders to a greater risk of negligence, injury, and harm. The laws of Maryland should protect the consumer and their families, not place them in harm's way.

My written testimony is not intended to be an exhaustive list of the numerous reasons Senate Bill 0957 is dangerous to the Maryland consumer of funeral and death care services. Please accept the enclosed testimony as just a few of the reasons why **I STRONGLY OPPOSE Senate Bill 0957** (**2025**). I wish I could be present to testify against Senate Bill 0957, but I am unable to attend the hearing due to an unavoidable conflict in my schedule. My brother Erich March, President of March Funeral Homes, plans to testify on behalf of our companies. If there are any questions or concerns, please do not hesitate to contact me.

Sincerely,

Viti Conand

Victor C. March *President/CEO* E-mail: <u>vmarch@marchfh.com</u> Telephone: (410) 435-0500