

March 6, 2025

Chairwoman Delegate Joseline A. Pena-Melnyk Vice-Chair Bonnie Cullison Health and Government Operations Committee 240 Taylor House Office Building Annapolis, MD 21401

Re: OPPOSITION to House Bill 1051 – Not-for-Profit Funeral Establishments

Dear Chairwoman Pena-Melnyk, Vice-Chair Cullison and Members of the House Health and Government Operations 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 House Bill 1051, and request the committee issue an UNFAVORABLE report on House Bill 1051.

House Bill 1051 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. House Bill 1051 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. House Bill 1051 attempts to dismiss the protections to the consumer contained in Health Occupations Article §7-309 and unnecessarily exposes the Maryland 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.

House Bill 1051 will cause the price of the average funeral to increase in Maryland.

If House Bill 1051 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. House Bill 1051 will not only harm the consumer, but it will injure numerous individuals who work in funeral service in Maryland and their families.

House Bill 1051 will decimate my family's investment of over \$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 House Bill 1051 could erase the years of investment to acquire 3 corporate licenses, which have a market value of no less than \$250,000.00 each. Many Maryland family owned and operated funeral service corporations have saved and planned to purchase one of the pre-existing Maryland corporate licenses. If House Bill 1051 were to pass, my family would immediately lose \$750,000 in assets. House Bill 1051 could potentially create devastating financial losses for many Maryland corporate licensees from which they may never recover.

House Bill 1051 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. House Bill 1051 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 House Bill 1051 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 House Bill 1051 (2025). I wish I could be present to testify against House Bill 1051, but I am unable to attend the hearing due to an unavoidable conflict in my schedule. I respectfully request that the committee issue an UNFAVORABLE REPORT. If there are any questions or concerns, please do not hesitate to contact me.

Sincerely,

Victor C. March
Vice-President and General Counsel
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