

SENATE BILL 192

C2
SB 535/16 – FIN

7lr1804

By: **Senator Klausmeier**

Introduced and read first time: January 18, 2017

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Office of Cemetery Oversight – Cemetery Financial Statement – Requirements**

3 FOR the purpose of requiring a certain financial statement required to be submitted by a
4 certain cemetery that sells burial goods to the Director of the Office of Cemetery
5 Oversight to contain a certain balance sheet; repealing the requirement that a
6 certain financial statement contain a certain statement by a certified public
7 accountant and a review of the financial stability of the cemetery by a certified public
8 accountant; and generally relating to requirements for a cemetery financial
9 statement and the Office of Cemetery Oversight.

10 BY repealing and reenacting, with amendments,
11 Article – Business Regulation
12 Section 5–304
13 Annotated Code of Maryland
14 (2015 Replacement Volume and 2016 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
16 That the Laws of Maryland read as follows:

17 **Article – Business Regulation**

18 5–304.

19 (a) Each applicant designated as the responsible party shall demonstrate the
20 financial stability of the business with which the applicant is affiliated by providing the
21 Director with a financial statement or other reports required under subsection (e) of this
22 section with the application for registration.

23 (b) If the business is a cemetery that sells burial goods and is an existing business,
24 the financial statement shall:

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



(1) be on the form that the Director requires; **AND**

(2) contain a [statement by a certified public accountant retained by the business, detailing the assets and liabilities of the cemetery for the last fiscal year; and

(3) contain a review by the certified public accountant as to the financial stability of the cemetery] **BALANCE SHEET:**

(I) FROM THE MOST RECENT FEDERAL TAX RETURN FILED BY THE BUSINESS; OR

(II) ON A FORM THAT THE DIRECTOR REQUIRES.

(c) If the business is an existing cemetery that does not sell burial goods or an existing burial goods business not affiliated with a cemetery, the applicant shall:

(1) complete a form that the Director requires; and

(2) satisfy criteria that the Director adopts under subsection (e) of this section.

(d) If the business is a new business, the applicant shall:

(1) complete a form that the Director requires; and

(2) satisfy criteria that the Director adopts under subsection (e) of this section.

(e) (1) The Director shall make a determination of the financial stability of each applicant based on criteria that the Director adopts for each class of business.

(2) The Director shall adopt separate criteria to determine the financial stability of applicants that are new businesses or existing businesses.

(3) The Director shall require that all financial statements of a new cemetery submitted under subsection (d) of this section be prepared by a certified public accountant retained by the business.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2017.