

clarifying language; and generally relating to the escrow requirements governing preneed burial contracts.

BY repealing and reenacting, with amendments,

Article 23 – Miscellaneous Companies

Section 165B

Annotated Code of Maryland

(1987 Replacement Volume and 1989 Supplement)

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

Article 23 – Miscellaneous Companies

165B.

(a) (1) In this section the following words have the meanings indicated.

(2) “Preneed” means any goods or services purchased prior to the time of death.

(3) (i) “Goods and services” includes, but is not limited to, vaults, grave liners, urns, memorials, monuments, scrolls, vases, opening and closing of graves, and other goods and services sold in connection with the interment, cremation, or other disposition of human remains.

(ii) “Goods and services” does not include interment space, cemetery lots, or grave sites.

(4) “Interment space” means land or space in any structure used or to be used for the reception of human remains and any right of interment or right of sepulture in such space.

(5) “Specific funds” means funds identified to a certain contract for goods and services.

(6) “General funds” means the sum total of specific funds commingled in a single fund.

(7) “Person” means an individual, firm, corporation, partnership, or any other form of entity selling preneed goods and services.

(8) “Seller’s cost” means the actual cost to the seller as of the date of the preneed burial contract of the goods and services described.

(9) “Seller’s account” means the general funds deposited from all of a seller’s preneed burial contracts, covered by this section plus any income derived from investing the general funds.

(10) “Trustee” means any national banking association or banking institution, as defined in the Financial Institutions Article or other financial institution permitted under applicable law to engage in the trust business.