

irrevocable trusts ~~under certain circumstances.~~

BY repealing and reenacting, with amendments,

Article – Health Occupations

Section 6-404

Annotated Code of Maryland

(1986 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 – Health Occupations

6-404.

(a) In this section, “seller” means a person who agrees to provide services or merchandise, directly or indirectly, under a pre-need contract.

(b) Only a licensed mortician, a licensed funeral director, or a holder of a surviving spouse license may offer or agree, directly or indirectly, to provide services or merchandise under a pre-need contract.

(c) (1) A pre-need contract shall contain:

(i) The name of each party to the contract and, if the beneficiary is an individual other than the buyer, the name of the beneficiary of the contract;

(ii) A description of any service or merchandise to be provided under the pre-need contract;

(iii) The total price of the services and merchandise agreed on; and

(iv) The method of payment.

(2) A pre-need contract shall be executed in duplicate and be signed by each party.

(3) The seller shall give one of the duplicate originals of the pre-need contract to the buyer.

(d) (1) Within 10 days after receiving a payment under a pre-need contract, the seller shall deposit the payment into an escrow or trust account with:

(i) A banking institution that is insured by an agency of the federal government or an agency of this State; or

(ii) A savings and loan association that is insured by an agency of the federal government or an agency of this State.

(2) A seller need not have a separate escrow or trust account for each pre-need contract.