

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1973.

Approved May 24, 1973.

CHAPTER 719

(Senate Bill 861)

AN ACT to add new Section 165A to Article 23 of the Annotated Code of Maryland (1966 Replacement Volume), title "Corporations," subtitle "III. Particular Classes of Corporations," subheading "Cemetery Companies," to follow immediately after Section 165 thereof; to regulate the sale of perpetual care in connection with the sale of burial lots or interment rights, providing for and regulating funds required to be deposited in perpetual care trust funds, providing penalties for violations and generally regulating perpetual care of burial lots or interment rights.

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That new Section 165A be and it is hereby added to Article 23 of the Annotated Code of Maryland (1966 Replacement Volume), title "Corporations," subtitle "III. Particular Classes of Corporations," subheading "Cemetery Companies," to follow immediately after Section 165 thereof, and to read as follows:

165A.

(A) IT SHALL BE UNLAWFUL FOR ANY PERSON OWNING, OPERATING OR DEVELOPING ANY CEMETERY TO SELL OR OFFER TO SELL TO MEMBERS OF THE GENERAL PUBLIC ANY LOT, PARCEL OF LAND, BURIAL OR INTERMENT RIGHT IN SUCH CEMETERY, AND IN CONNECTION THEREWITH TO REPRESENT TO THE PUBLIC IN ANY MANNER, EXPRESSED, OR IMPLIED, THAT THE ENTIRE CEMETERY, A SINGLE LOT THEREIN, OR ANY BURIAL OR INTERMENT RIGHT THEREIN WILL BE PERPETUALLY CARED FOR UNLESS ADEQUATE PROVISION HAS BEEN MADE FOR THE PERPETUAL CARE OF THE CEMETERY AND ALL LOTS, BURIAL OR INTERMENT RIGHTS THEREIN AS TO WHICH SUCH REPRESENTATION HAS BEEN MADE.

(B) EACH PERSON WHO SHALL OFFER TO SELL OR SELL TO MEMBERS OF THE GENERAL PUBLIC ANY LOT, PARCEL OF LAND, BURIAL OR INTERMENT RIGHT AS TO WHICH SALE PERPETUAL CARE IS STATED OR IMPLIED, IN ANY CEMETERY, NO MATTER WHETHER IT WAS ORGANIZED OR DEVELOPED BEFORE OR AFTER THE EFFECTIVE DATE OF THIS SECTION SHALL ESTABLISH, WITHIN A PERIOD OF NINE MONTHS AFTER SUCH EFFECTIVE DATE, AN IRREVOCABLE TRUST ESTABLISHED PURSUANT TO THE PROVISIONS HEREOF FOR THE PURPOSE OF CREATING A PERPETUAL CARE TRUST FUND. A CEMETERY WITH A DEVELOPED LAND AREA OF TEN (10) ACRES OR LESS SHALL DEPOSIT A MINIMUM SUM OF TEN THOUSAND (\$10,000.00) DOLLARS AND A CEMETERY WITH A LARGER DEVELOPED LAND AREA SHALL DEPOSIT A MINIMUM SUM OF TWENTY-FIVE THOUSAND (\$25,000.00) DOLLARS, IN SUCH FUND. AN ORGANIZED CEMETERY WHICH