



Bureau of Competition
Bureau of Consumer Protection
Bureau of Economics
Office of Policy Planning

UNITED STATES OF AMERICA
FEDERAL TRADE COMMISSION
WASHINGTON, D.C. 20580

April 2, 2004

The Honorable Joanne C. Benson
Health and Government Operations Committee
Maryland House of Delegates
Annapolis, Maryland 21401-1991

Re: Maryland House Bill 795, Health Occupations–Morticians–Licensing

Dear Ms. Benson:

The staffs of the Federal Trade Commission's Bureau of Competition, Bureau of Consumer Protection, Bureau of Economics, and Office of Policy Planning are pleased to respond to your request for comment regarding Maryland House Bill 795, which would amend current Maryland law to permit corporate ownership of funeral homes. This letter will discuss the proposed law's potential benefits to consumers of funeral home services.¹

The FTC is charged by statute with preventing unfair methods of competition and unfair or deceptive acts or practices in or affecting commerce.² Under this statutory mandate, Commission staff often have assessed the competitive impact of regulations and business practices that impede competition or increase costs without offering countervailing benefits to consumers.³ Commission staff have become familiar with the funeral industry through promulgation of regulations,⁴ workshops that discuss various aspects of the industry,⁵ and

¹ This letter expresses the views of the Bureau of Competition, Bureau of Consumer Protection, Bureau of Economics, and Office of Policy Planning of the Federal Trade Commission. The letter does not necessarily represent the views of the Commission or of any individual Commissioner. The Commission has, however, voted to authorize us to submit these comments.

² Federal Trade Commission Act, 15 U.S.C. § 45.

³ Lists of recent FTC advocacy filings and economic reports are available at <http://www.ftc.gov/be/advofile.htm> and <http://www.ftc.gov/be/econrpt.htm>.

⁴ See 16 C.F.R. Part 453 (2003) (Rule governing Funeral Industry Practices).

⁵ See <http://www.ftc.gov/opp/e-commerce/anticompetitive> (agenda for Workshop: Possible Anticompetitive Efforts to Restrict Competition on the Internet).

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¹¹ *See, e.g.*, ROBERT CHARLES CLARK, CORPORATE LAW § 1.1, at 2 (1986) (corporate form “facilitat[es] the efficient aggregation of very large amounts of capital from numerous investors”). Corporate organization provides other benefits as well. *See* STEPHAN A. R

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In conclusion, the FTC's Bureau of Competition, Bureau of Consumer Protection, Bureau of Economics, and Office of Policy Planning believe that Maryland House Bill 795 will permit easier entry into the funeral home business, thereby benefitting consumers.

Respectfully submitted,

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