

SENATE BILL 468

N2

2lr2091

By: **Senator West**

Introduced and read first time: January 27, 2022

Assigned to: Judicial Proceedings

Committee Report: Favorable

Senate action: Adopted

Read second time: February 25, 2022

CHAPTER _____

1 AN ACT concerning

2 **Estates and Trusts – Personal Representatives – Payment of Commissions and**
3 **Attorney’s Fees Without Court Approval**

4 FOR the purpose of providing that a personal representative may pay commissions and
5 attorney’s fees without court approval only if the payments consented to are for
6 services rendered prior to the consent; and generally relating to payments of
7 personal representative commissions and attorney’s fees without court approval.

8 BY repealing and reenacting, without amendments,
9 Article – Estates and Trusts
10 Section 7–601(a)
11 Annotated Code of Maryland
12 (2017 Replacement Volume and 2021 Supplement)

13 BY repealing and reenacting, with amendments,
14 Article – Estates and Trusts
15 Section 7–604
16 Annotated Code of Maryland
17 (2017 Replacement Volume and 2021 Supplement)

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

20 **Article – Estates and Trusts**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 7-601.

2 (a) (1) A personal representative or special administrator is entitled to
3 reasonable compensation for services.

4 (2) If a will provides a stated compensation for the personal representative,
5 additional compensation shall be allowed if the provision is insufficient in the judgment of
6 the court.

7 (3) The personal representative or special administrator may renounce at
8 any time all or a part of the right to compensation.

9 7-604.

10 (a) [Payment of] **THE PERSONAL REPRESENTATIVE MAY PAY** commissions to
11 personal representatives under § 7-601 of this subtitle, and attorney's fees under § 7-602
12 of this subtitle [may be made] without court approval if:

13 (1) (i) Each creditor, who has filed a claim that is still open, and all
14 interested persons consent in writing to the payment;

15 (ii) The combined sum of the payments of commissions and
16 attorney's fees does not exceed the amounts provided in § 7-601 of this subtitle; [and]

17 (iii) The signed written consent form states the amounts of the
18 payments and is filed with the register of wills; [or] **AND**

19 **(IV) UNLESS THE CONSENT FORM IS FILED SIMULTANEOUSLY**
20 **WITH THE FINAL ADMINISTRATION ACCOUNT OR FINAL REPORT UNDER A MODIFIED**
21 **ADMINISTRATION, EACH PAYMENT CONSENTED TO IS FOR SERVICES RENDERED BY**
22 **THE ATTORNEY OR PERSONAL REPRESENTATIVE PRIOR TO THE DATE OF THE**
23 **CONSENT; OR**

24 (2) (i) The fee is paid to an attorney representing the estate in litigation
25 under a contingency fee agreement signed by the decedent or the current personal
26 representative of the decedent's estate;

27 (ii) The fee does not exceed the terms of the contingency fee
28 agreement;

29 (iii) A copy of the contingency fee agreement is on file with the
30 register of wills; and

31 (iv) The attorney files a statement with each account stating that the
32 scope of the representation by the attorney does not extend to the administration of the
33 estate.

1 (b) When rendering accounts, the personal representative shall designate any
2 payment made under this section as an expense.

3 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2022.

Approved:

Governor.

President of the Senate.

Speaker of the House of Delegates.