

SENATE BILL 468

N2

2lr2091

By: **Senator West**

Introduced and read first time: January 27, 2022

Assigned to: Judicial Proceedings

A BILL ENTITLED

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**

21 7–601.

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

24 (2) If a will provides a stated compensation for the personal representative,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 additional compensation shall be allowed if the provision is insufficient in the judgment of
2 the court.

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

5 7-604.

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

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

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

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

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

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

23 (ii) The fee does not exceed the terms of the contingency fee
24 agreement;

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

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

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

32 **SECTION 2. AND BE IT FURTHER ENACTED,** That this Act shall take effect
33 October 1, 2022.