

# SENATE BILL 792

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7lr2863  
CF HB 754

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By: **Senator Smith**

Introduced and read first time: February 3, 2017

Assigned to: Judicial Proceedings

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## A BILL ENTITLED

1 AN ACT concerning

2 **Maryland Trust Act – Notice and Reporting Requirements – Exemptions**

3 FOR the purpose of exempting certain persons from certain requirements under the  
4 Maryland Trust Act to provide certain notice and certain information to themselves;  
5 and generally relating to notice and reporting requirements under the Maryland  
6 Trust Act.

7 BY repealing and reenacting, with amendments,  
8 Article – Estates and Trusts  
9 Section 14.5–109 and 14.5–813  
10 Annotated Code of Maryland  
11 (2011 Replacement Volume and 2016 Supplement)

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

14 **Article – Estates and Trusts**

15 14.5–109.

16 (a) (1) Notice to a person under this title or the sending of a document to a  
17 person under this title shall be accomplished in a manner reasonably suitable under the  
18 circumstances and likely to result in receipt of the notice or document.

19 (2) Permissible methods of notice to a person or for sending a document to  
20 a person under this title include first–class mail, personal delivery, or delivery to the last  
21 known place of residence or place of business of the person.

22 (3) (i) This paragraph applies to:

23 1. The proposed termination of a trust;

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.





1 (i) Within 60 days after accepting a trusteeship, shall notify the  
2 qualified beneficiaries of the acceptance and of the trustee's name, address, and telephone  
3 number; and

4 (ii) Within 90 days after the date the trustee acquires knowledge of  
5 the creation of an irrevocable trust, or the date the trustee acquires knowledge that a  
6 formerly revocable trust has become irrevocable, whether by the death of the settlor or  
7 otherwise, shall notify the qualified beneficiaries of the trust's existence, of the identity of  
8 the settlor or settlors, of the right to request a copy of the trust instrument, and of the right  
9 to a trustee's report as provided in subsection (c) of this section.

10 (2) Notwithstanding § 14.5-109 of this title, notice required under this  
11 subsection shall be:

12 (i) To the extent the names and locations of the qualified  
13 beneficiaries are known to the trustee:

14 1. By delivery of the notice to the qualified beneficiaries  
15 personally; or

16 2. By sending the notice to the qualified beneficiaries at their  
17 last known address by certified mail, postage prepaid, return receipt requested; and

18 (ii) If the name, location, or both of a qualified beneficiary is not  
19 known to the trustee, by publication in a newspaper of general circulation in the county  
20 where the trust property is located once a week for 3 successive weeks.

21 (c) (1) On request by a qualified beneficiary, a trustee shall send to the  
22 qualified beneficiary annually and at the termination of the trust a report of the trust  
23 property, liabilities, receipts, and disbursements, including the source and amount of the  
24 compensation of the trustee, a listing of the trust assets, and, if feasible, the respective  
25 market values of the trust assets.

26 (2) On a vacancy in a trusteeship, unless a cotrustee remains in office, the  
27 former trustee shall send a report to the qualified beneficiaries that request the report.

28 (3) A personal representative, a guardian, or an attorney-in-fact may send  
29 the qualified beneficiaries a report on behalf of the former trustee.

30 (d) (1) A qualified beneficiary may waive the right to a trustee's report or other  
31 information otherwise required to be furnished under this section.

32 (2) A qualified beneficiary, with respect to future reports and other  
33 information, may withdraw a waiver previously given.

34 **(3) IF A TRUSTEE IS A QUALIFIED BENEFICIARY OF THE TRUST FOR**  
35 **WHICH THE TRUSTEE IS SERVING, THE TRUSTEE IS NOT REQUIRED TO PROVIDE**

1 **HIMSELF OR HERSELF A TRUSTEE'S REPORT OR OTHER INFORMATION REQUIRED TO**  
2 **BE FURNISHED UNDER THIS SECTION.**

3 (e) Subsection (b) of this section does not apply to a trustee that accepts a  
4 trusteeship before January 1, 2015, to an irrevocable trust created before January 1, 2015,  
5 or to a revocable trust that becomes irrevocable before January 1, 2015.

6 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
7 October 1, 2017.