

January 19, 2025
House Bill 27
Estates and Trusts – Compensation of Guardians of Property and Trustees
Hearing January 22, 2025
Judiciary Committee
Position: FAVORABLE, WITH AMENDMENTS

Maryland Legal Aid (MLA) submits its written and oral testimony on HB 27 in response to a request from Senator West.

Maryland Legal Aid (MLA) is the largest non-profit law firm in the State of Maryland. We provide court-appointed representation to the alleged disabled person in guardianship proceedings in multiple counties around the state. Many of our clients in these proceedings also face petitions for the appointment of guardians of their property. Guardians of property are responsible for managing property and benefits when someone with a disability is not able to effectively manage their own finances and affairs.

Current Maryland law does provide for a guardian of property to be compensated, but merely allows for “the same compensation and reimbursement ... as the trustee of a trust.” This bill would clarify the structure and sources of reimbursement.

We support a clear method of reimbursement for guardians of property. In too many of our cases, the courts have struggled to find a prospective guardian of property, or have appointed the petitioners’ own attorneys as guardians for our clients which is not favored, because our client’s opposing party gets control of their money. We believe that, with amendments, this bill would protect the income of our clients, who are among the poorest of individuals who have guardians appointed in Maryland.

Right now, the compensation structure would allow a guardian to seek 6.5% of the first \$10,000 of all income collected each year from any source other than real property. Many of our clients only receive income from Social Security, either SSI or SSDI. The maximum monthly SSI benefits are \$967 for an individual. That would amount to \$11,604 per year, and as a result a guardian of property could seek over \$750 per year from some of the poorest people in the State, who are under a guardianship.

We would suggest amending the bill to exempt up to \$1,000 per month of Social Security benefits – both SSI and SSDI – from the income calculations in this bill. This would protect the people under guardianship with the least resources, while still allowing property guardians to be fairly compensated for managing more complicated estates producing more annual income.

With that proposed amendment, MLA urges a favorable report on HB27. Please contact me if you need additional information.

James Silver, Esq.
Supervising Attorney, Adult Guardianship Program, Maryland Legal Aid
(410) 951-7789
jsilver@mdlaborg