1997 Regular Session 7lr1081

By: Delegates Grosfeld, Preis, T. Murphy, and Turner Introduced and read first time: January 15, 1997

Assigned to: Judiciary

Committee Report: Favorable House action: Adopted with floor amendments Read second time: February 18, 1997

CHAPTER _____

1 AN ACT concerning

2 Family Law - Award of Expenses

3 FOR the purpose of adding absolute divorce, limited divorce, and property disposition in

4 annulment or absolute divorce to the types of proceedings in which a court may

5 award to either party an amount for the reasonable and necessary expense of

6 prosecuting or defending the proceeding; requiring the court to consider certain

7 factors before making an award; authorizing the court to award reimbursement for

8 certain expenses previously paid; providing for the payment of counsel fees directly

9 to certain persons; <u>providing for the application of this Act</u>; and generally relating

10 to the award of reasonable and necessary expenses in certain proceedings.

11 BY adding to

- 12 Article Family Law
- 13 Section 7-107 and 8-214
- 14 Annotated Code of Maryland
- 15 (1991 Replacement Volume and 1996 Supplement)

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

18 Article - Family Law

19 7-107.

20 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS 21 INDICATED.

- 22 (2) "PROCEEDING" INCLUDES A PROCEEDING FOR:
- 23 (I) ABSOLUTE DIVORCE; AND

2 1 (II) LIMITED DIVORCE. 2 (3) "REASONABLE AND NECESSARY EXPENSE" INCLUDES: 3 (I) SUIT MONEY; (II) COUNSEL FEES; AND 4 (III) COSTS. 5 6 (B) AT ANY POINT IN A PROCEEDING UNDER THIS TITLE. THE COURT MAY 7 ORDER EITHER PARTY TO PAY TO THE OTHER PARTY AN AMOUNT FOR THE 8 REASONABLE AND NECESSARY EXPENSE OF PROSECUTING OR DEFENDING THE 9 PROCEEDING. 10 (C) BEFORE ORDERING THE PAYMENT, THE COURT SHALL CONSIDER: (1) THE FINANCIAL RESOURCES AND FINANCIAL NEEDS OF BOTH 11 12 PARTIES; AND 13 (2) WHETHER THERE WAS SUBSTANTIAL JUSTIFICATION FOR 14 PROSECUTING OR DEFENDING THE PROCEEDING. (D) UPON A FINDING BY THE COURT THAT THERE WAS AN ABSENCE OF 15 16 SUBSTANTIAL JUSTIFICATION OF A PARTY FOR PROSECUTING OR DEFENDING THE 17 PROCEEDING, AND ABSENT A FINDING BY THE COURT OF GOOD CAUSE TO THE 18 CONTRARY, THE COURT SHALL AWARD TO THE OTHER PARTY THE REASONABLE 19 AND NECESSARY EXPENSE OF PROSECUTING OR DEFENDING THE PROCEEDING. (E) THE COURT MAY AWARD REIMBURSEMENT FOR ANY REASONABLE AND 20 21 NECESSARY EXPENSE THAT HAS PREVIOUSLY BEEN PAID. 22 (F) AS TO ANY AMOUNT AWARDED FOR COUNSEL FEES, THE COURT MAY: (1) ORDER THAT THE AMOUNT AWARDED BE PAID DIRECTLY TO THE 23 24 LAWYER; AND 25 (2) ENTER JUDGMENT IN FAVOR OF THE LAWYER. 26 8-214. 27 (A) IN THIS SECTION "REASONABLE AND NECESSARY EXPENSE" INCLUDES: 28 (1) SUIT MONEY; 29 (2) COUNSEL FEES; AND 30 (3) COSTS. (B) AT ANY POINT IN A PROCEEDING UNDER THIS SUBTITLE, THE COURT 31 32 MAY ORDER EITHER PARTY TO PAY TO THE OTHER PARTY AN AMOUNT FOR THE

33 REASONABLE AND NECESSARY EXPENSE OF PROSECUTING OR DEFENDING THE34 PROCEEDING.

35 (C) BEFORE ORDERING THE PAYMENT, THE COURT SHALL CONSIDER:

1 (1) THE FINANCIAL RESOURCES AND FINANCIAL NEEDS OF BOTH 2 PARTIES; AND

3 (2) WHETHER THERE WAS SUBSTANTIAL JUSTIFICATION FOR4 PROSECUTING OR DEFENDING THE PROCEEDING.

5 (D) UPON A FINDING BY THE COURT THAT THERE WAS AN ABSENCE OF
6 SUBSTANTIAL JUSTIFICATION OF A PARTY FOR PROSECUTING OR DEFENDING THE
7 PROCEEDING, AND ABSENT A FINDING BY THE COURT OF GOOD CAUSE TO THE
8 CONTRARY, THE COURT SHALL AWARD TO THE OTHER PARTY THE REASONABLE
9 AND NECESSARY EXPENSE OF PROSECUTING OR DEFENDING THE PROCEEDING.

10 (E) THE COURT MAY AWARD REIMBURSEMENT FOR ANY REASONABLE AND11 NECESSARY EXPENSE THAT HAS PREVIOUSLY BEEN PAID.

12 (F) AS TO ANY AMOUNT AWARDED FOR COUNSEL FEES, THE COURT MAY:

13 (1) ORDER THAT THE AMOUNT AWARDED BE PAID DIRECTLY TO THE 14 LAWYER; AND

15 (2) ENTER JUDGMENT IN FAVOR OF THE LAWYER.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall apply only to
 cases filed on or after the effective date of this Act.

18 SECTION 2. <u>3.</u> AND BE IT FURTHER ENACTED, That this Act shall take effect
19 October 1, 1997.

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