Unofficial Copy 1997 Regular Session 7lr1933 N2 HB 1079/95 - JUD By: Senator Colburn Senators Colburn and Forehand Introduced and read first time: January 31, 1997 Assigned to: Judicial Proceedings Committee Report: Favorable with amendments Senate action: Adopted Read second time: March 11, 1997 CHAPTER ____ 1 AN ACT concerning 2 Power of Attorney - Durability 3 FOR the purpose of establishing that if when a principal makes certain designations 4 designates an attorney in fact or agent by a power of attorney in writing, the power of attorney is a durable power of attorney unless otherwise provided by the terms of 5 6 the writing; defining the term "durable power of attorney"; providing for the application of this Act; and generally relating to powers of attorney. 8 BY repealing and reenacting, with amendments, Article - Estates and Trusts 9 10 Section 13-601 11 Annotated Code of Maryland 12 (1991 Replacement Volume and 1996 Supplement) SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF 13 14 MARYLAND, That the Laws of Maryland read as follows: 15 **Article - Estates and Trusts** 16 13-601. 17 (A) IN THIS SECTION, "DURABLE POWER OF ATTORNEY" MEANS A POWER OF 18 ATTORNEY BY WHICH A PRINCIPAL DESIGNATES ANOTHER AS AN ATTORNEY IN 19 FACT OR AGENT AND THE AUTHORITY IS EXERCISABLE NOTWITHSTANDING THE 20 PRINCIPAL'S SUBSEQUENT DISABILITY OR INCAPACITY. [(a)] (B) Except as provided in subsection [(d)](E) of this section, [if] WHEN a 21 22 principal designates [his] ANOTHER AS AN attorney in fact or agent by a power of 23 attorney in writing, IT IS A DURABLE POWER OF ATTORNEY UNLESS OTHERWISE 24 PROVIDED BY ITS TERMS [and the writing contains the words:

- 1 (1) "This power of attorney shall not be affected by disability of the 2 principal";
- 3 (2) "This power of attorney becomes effective upon the disability of the 4 principal"; or
- 5 (3) Similar words showing the intent of the principal that the authority 6 conferred shall be exercisable notwithstanding his disability, the authority of the attorney 7 in fact or agent is exercisable by him notwithstanding the later disability of the principal 8 or uncertainty whether the principal is dead or alive].
- 9 [(b)] (C) Any act done by the attorney in fact or agent pursuant to the power 10 during any period of disability or incompetence or uncertainty as to whether the principal 11 is dead or alive has the same effect and inures to the benefit of and binds the principal as 12 if the principal were alive, competent, and not disabled.
- [(c)] (D) If a guardian is appointed for the principal, the attorney in fact or agent shall account to the guardian rather than the principal. The guardian has the same power the principal would have but for his disability or incompetence to revoke, suspend, or terminate all or any part of the power of attorney or agency.
- 17 [(d)] (E) (1) This section does not apply to an instrument or portion of an 18 instrument that is an advance directive appointing a health care agent under Title 5, 19 Subtitle 6 of the Health General Article.
- 20 (2) An instrument or portion of an instrument that is an advance directive 21 appointing a health care agent is subject to the provisions of Title 5, Subtitle 6 of the 22 Health General Article.
- SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be construed only prospectively and may not be applied or interpreted to have any effect on or application to any power of attorney in effect before the effective date of this Act.
- 26 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect 27 October 1, 1997.