

Department of Legislative Services  
Maryland General Assembly  
2000 Session

## FISCAL NOTE

Senate Bill 780 (Senator Kellev. *et al.*)

Judicial Proceedings

---

### Powers of Attorney

---

The bill requires that a durable power of attorney be notarized and that preprinted durable power of attorney forms contain a notice of warnings to the individual and a statement of duties of the agent or attorney in fact. The bill also adds attorneys in fact and agents under a power of attorney to those representatives who, if they fraudulently and wilfully misappropriate money under his or her trust, are guilty of embezzlement and subject to prison terms.

---

### Fiscal Summary

**State Effect:** Minimal increase in general fund expenditures due to the bill's penalty provision.

**Local Effect:** Minimal increase in revenues and expenditures due to the bill's penalty provision.

**Small Business Effect:** None.

---

### Analysis

**Bill Summary:** Attorneys in fact and agents under a power of attorney to those representatives who fraudulently and wilfully misappropriate money under his or her trust would be subject to the existing embezzlement criminal provisions that provide for imprisonment for not less than one year nor more than five years.

A durable power of attorney must be acknowledged before a notary public. Each preprinted durable power of attorney form sold or distributed in the State would be required to contain a

notice explaining the implications of the designation of a durable power of attorney. The form must also state the duties of the agent or attorney in fact under a durable power of attorney. An exception from the notice and statement of duties requirements is given to a durable power of attorney prepared by a lawyer, financial institution, broker-dealer, agent, or federal covered financial adviser.

**Current Law:** Attorneys in fact or agents under a power of attorney are currently not included in the embezzlement criminal provision. A durable power of attorney need not be acknowledged before a notary public and no notice of rights and duties is required.

**State Expenditures:** General fund expenditures could increase minimally as a result of the bill's incarceration penalty due to more people being committed to Division of Correction (DOC) facilities and increased payments to counties for reimbursement of inmate costs. The number of people convicted of this proposed crime is expected to be minimal.

Persons serving a sentence longer than one year are incarcerated in DOC facilities. Currently, the average total cost per inmate, including overhead, is estimated at \$1,700 per month. This bill alone, however, should not create the need for additional beds, personnel, or facilities. The average variable cost of housing a new DOC inmate (food, medical care, etc.), excluding overhead, is \$260 per month.

Persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to local detention facilities. The State reimburses counties for part of their incarceration costs, on a per diem basis, after a person has served 90 days. State per diem reimbursements for fiscal 2001 are estimated to range from \$11 to \$54 per inmate depending upon the jurisdiction. Persons sentenced to such a term in Baltimore City are generally incarcerated in DOC facilities. The Baltimore City Detention Center, a State operated facility, is used primarily for pretrial detentions.

**Local Expenditures:** Expenditures could increase minimally as a result of the bill's incarceration penalty. Counties pay the full cost of incarceration for people in their facilities for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$22 to \$83 per inmate in fiscal 2001.

---

### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 795 (Delegate Finifter) - Judiciary.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Registers of Wills, Department of Legislative Services

**Fiscal Note History:** First Reader - March 1, 2000  
cm/jr

---

Analysis by: Matthew D. Riven

Direct Inquiries to:  
John Rixey, Coordinating Analyst  
(410) 946-5510  
(301) 970-5510