
By: **Senator Giannetti**

Introduced and read first time: February 3, 2006

Assigned to: Judicial Proceedings

A BILL ENTITLED

1 AN ACT concerning

2 **Limited Liability Companies and Partnerships - Inspection Authority of**
3 **Personal Representative**

4 FOR the purpose of authorizing a personal representative, trustee, or fiduciary to
5 inspect the property and assets of a limited liability company in which the
6 personal representative, trustee, or fiduciary holds an interest to determine
7 compliance with an environmental law and respond to certain liability relating
8 to the property; and generally relating to limited liability companies and
9 partnerships.

10 BY repealing and reenacting, with amendments,

11 Article - Estates and Trusts

12 Section 7-401(cc)(1), 14-108(b)(1), and 15-102(z)(1)

13 Annotated Code of Maryland

14 (2001 Replacement Volume and 2005 Supplement)

15 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

16 MARYLAND, That the Laws of Maryland read as follows:

17 **Article - Estates and Trusts**

18 7-401.

19 (cc) (1) To comply with an environmental law, a personal representative may:

20 (i) Inspect property held by the personal representative, including
21 any type of interest in a sole proprietorship, partnership, LIMITED LIABILITY
22 COMPANY, or corporation, and any assets owned by a sole proprietorship, partnership,
23 LIMITED LIABILITY COMPANY, or corporation to determine compliance with an
24 environmental law and respond to an actual or potential environmental liability
25 relating to the property;

26 (ii) Before or after the initiation of a claim or a governmental
27 enforcement action, take any action necessary to prevent, abate, or otherwise remedy

1 an actual or potential environmental liability relating to property held by the
2 personal representative;

3 (iii) Settle or compromise at any time a claim against the estate
4 based on an alleged environmental liability that may be asserted by any person; and

5 (iv) Pay from the estate the costs of an inspection, review, study,
6 abatement, response, cleanup, or other remedial action that involves an
7 environmental liability as provided under § 15-524 of this article.

8 14-108.

9 (b) (1) To comply with an environmental law, a trustee may:

10 (i) Inspect property held by the trustee, including any type of
11 interest in a sole proprietorship, partnership, LIMITED LIABILITY COMPANY, or
12 corporation, and any assets owned by a sole proprietorship, partnership, LIMITED
13 LIABILITY COMPANY, or corporation, to determine compliance with an environmental
14 law and respond to an actual or potential environmental liability relating to the
15 property;

16 (ii) Before or after the initiation of a claim or a governmental
17 enforcement action, take action necessary to prevent, abate, or otherwise remedy an
18 actual or potential environmental liability that affects a trust asset;

19 (iii) Settle or compromise at any time a claim against the trust
20 based on an alleged environmental liability that may be asserted by any person; and

21 (iv) Pay from the trust the costs of an inspection, review, study,
22 abatement, response, cleanup, or other remedial action that involves an
23 environmental liability.

24 15-102.

25 (z) (1) To comply with an environmental law, a fiduciary may:

26 (i) Inspect property held by the fiduciary, including any type of
27 interest in a sole proprietorship, partnership, LIMITED LIABILITY COMPANY, or
28 corporation, and any assets owned by a sole proprietorship, partnership, LIMITED
29 LIABILITY COMPANY, or corporation, to determine compliance with an environmental
30 law and respond to an actual or potential environmental liability relating to the
31 property;

32 (ii) Before or after the initiation of a claim or a governmental
33 enforcement action, take action necessary to prevent, abate, or otherwise remedy an
34 actual or potential environmental liability that affects the fiduciary estate;

35 (iii) Settle or compromise at any time a claim against the fiduciary
36 estate based on an alleged environmental liability that may be asserted by any
37 person; and

1 (iv) Pay from the fiduciary estate the costs of an inspection, review,
2 study, abatement, response, cleanup, or other remedial action that involves an
3 environmental liability.

4 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
5 July 1, 2006.